INDIANA

Comprehensive Annual Financial Report
For Fiscal Year Ended June 30, 2003

Frank O'Bannon, Governor

Prepared by the Office of
Indiana Auditor of State

Connie K. Nass

Room 240 State House
200 West Washington St.
Indianapolis, IN 46204



Governor Frank O'Bannon
1930-2003

Let us never forget that our shared values
—and our love of Indiana—
unite us as Hoosiers. And let us always
remember that what unites is stronger than
our differences, as we work
—together—
to make our state the best place on earth to
live, work and raise our family.

(Excerpt from the Governor's 1997 State of the State Address.)


SEAL OF THE STATE OF INDIANA
1816

STATE OF INDIANA

Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2003

Frank O'Bannon, Governor



Prepared by:

The Office of the Auditor of State
Connie K. Nass
Auditor of State
Room 240
State House
Indianapolis, Indiana 46204

Acknowledgments

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We extend special thanks to all employees of State agencies throughout Indiana. Your cooperation and assistance in the preparation of this Comprehensive Annual Financial Report has been invaluable.

Visit our web site at **www.in.gov/auditor/**

AUDITORS OF STATE
of
THE STATE OF INDIANA

Term	Name	Politics
1816-1828	William H. Lilley	Party Unknown
1828-1829	Benjamin I. Blythe	Party Unknown
1829-1844	Morris Morris	Party Unknown
1844-1847	Horatio J. Harris	Party Unknown
1847-1850	Douglas Maguire	Whig
1850-1853	Erastus W. H. Ellis	Democrat
1853-1855	John P. Dunn	Democrat
1855-1857	Hiram E. Talbot	Fusion-"peoples"
1857-1861	John W. Dodd	Democrat
1861-1863	Albert Lange	Republican
1863-1865	Joseph Ristine	Democratic Union
1865-1869	Thomas P. McCarthy	Republican
1869-1871	John D. Evans	Republican
1871-1873	John C. Shoemaker	Democrat
1873-1875	James A. Wilder	Republican
1875-1879	Ebenezer Henderson	Democrat
1879-1881	Mahlon D. Manson	Democrat
1881-1883	Edward H. Wolfe	Republican
1885-1887	James H. Rice	Democrat
1887-1891	Bruce Carr	Republican
1891-1895	John O. Henderson	Democrat
1895-1899	Americus C. Daily	Republican
1899-1903	William H. Hart	Republican
1903-1905	David E. Sherrick	Republican
1905-1906	Warren Bigler	Republican
1906-1910	John C. Billheimer	Republican
1910-1914	William H. O'Brien	Democrat
1914-1916	Dale J. Crittenberger	Democrat
1916-1920	Otto Clauss	Republican
1920-1922	William G. Oliver	Republican
1922-1924	Robert Bracken	Democrat
1924-1928	Lewis S. Bowman	Republican
1928-1930	Arch N. Bobbit	Republican
1930-1934	Floyd E. Williamson	Democrat
1934-1938	Laurence F. Sullivan	Democrat
1938-1940	Frank G. Thompson	Democrat
1940-1944	Richard T. James	Republican
1944-1948	Alvin V. Burch	Republican
1948-1950	James M. Propst	Democrat
1950-1954	Frank T. Millis	Republican
1954-1956	Curtis E. Rardin	Republican
1956-1958	Roy T. Combs	Republican
1958-1960	Albert A. Steinwedel	Democrat
1960-1964	Dorothy Gardner	Republican
1964-1966	Mark L. France	Democrat
1966-1968	John P. Gallagher	Republican
1968-1970	Trudy Slaby Etherton	Republican
1970-1978	Mary Aikins Currie	Democrat
1978-1982	Charles D. Loos	Republican
1982-1986	Otis E. Cox	Democrat
1986-1994	Ann G. DeVore	Republican
1994-1998	Morris Wooden	Republican
1999-	Connie K. Nass	Republican

STATE OF INDIANA

Comprehensive Annual Financial Report
For the Year Ended June 30, 2003

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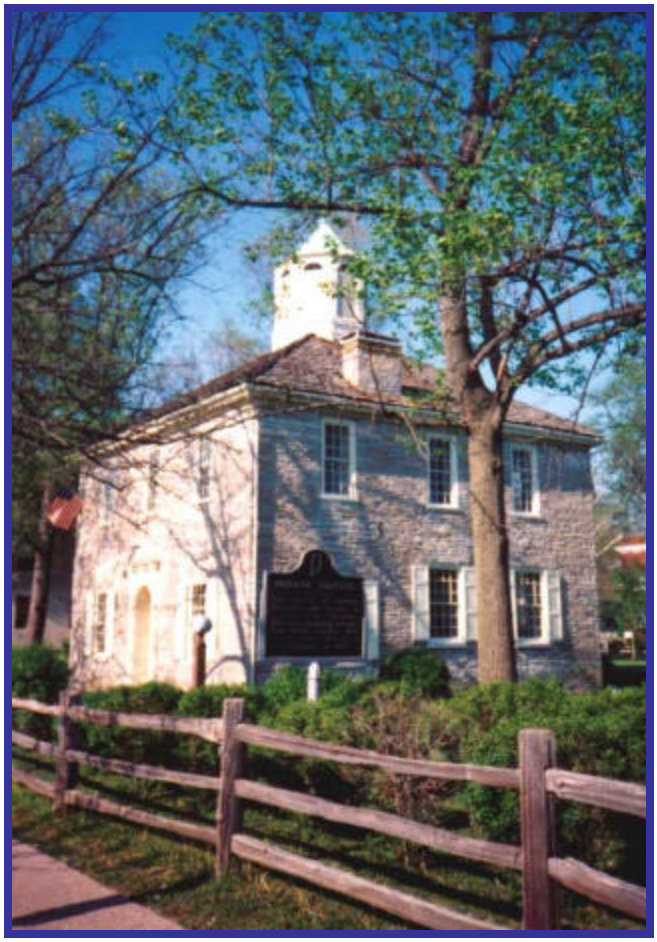
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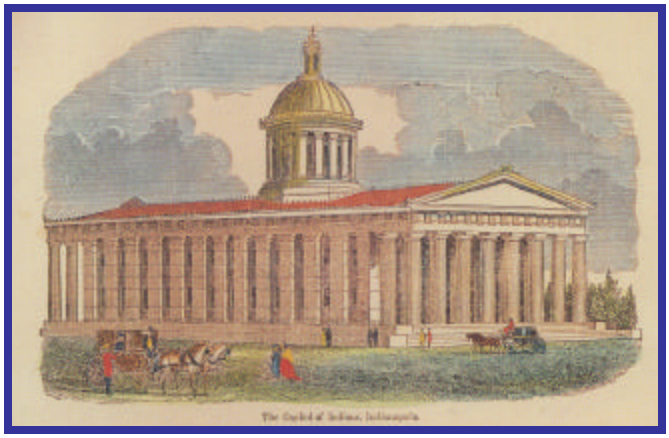
INTRODUCTORY SECTION



Old Indiana Statehouse in Corydon

ORIGINS OF STATEHOOD

When the U.S. Congress officially proclaimed Indiana's statehood in 1816, a modest building in the city of Corydon served as the first capitol. By 1825, the seat of state government had been moved to Indianapolis, where a new capitol building was constructed within ten years. After several decades of housing offices for the governor and legislature, the original statehouse began to literally crumble to the ground. In 1878, work began on the current capitol building. Several Indiana resources were used during its construction, including native limestone, marble and wood. Labor came from local metalworkers, plasterers and decorative artists. Ten years later — the same year Indianapolis attorney Benjamin Harrison was elected President of the United States — the building was complete. Today, our statehouse has been entirely refurbished to its original luster and serves as anchor for a 49.5-acre governmental complex.



First Capitol Building in Indianapolis



Today's Capitol Building and Government Center

Corydon Statehouse photograph used with the permission of Larry DeBoer, Professor, Department of Agricultural Economics at Purdue University. First Indianapolis Capitol Building photograph courtesy of the Indiana State Library. Current Capitol Building and Government Center photograph used with the permission of Stephen Sellers, Indiana State Department of Natural Resources. All rights reserved.



CONNIE KAY NASS
AUDITOR OF STATE OF INDIANA

Auditor of State

Connie Kay Nass

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http://www.ai.org/auditor

December 30, 2003

Governor,
Members of the General Assembly,
Citizens of the State of Indiana:

We are proud to present the Comprehensive Annual Financial Report (CAFR) for the State of Indiana's fiscal year ended June 30, 2003.

This Comprehensive Annual Financial Report has been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as prescribed in pronouncements by the Governmental Accounting Standards Board. While management remains primarily and ultimately responsible for the contents and presentation of this report, responsibility for both the accuracy of the data presented and completeness and fairness of the presentation rests with the State agencies that provide the data and are obligated to verify postings. We believe the information set forth in this report is accurate in all aspects and is presented in a manner designed to set forth the financial position and results of operations of the State as measured by the financial activity of its various funds.

State statute requires an annual audit by the Indiana State Board of Accounts. The Board is considered by federal and State government to be independent auditors. The Auditor's report on the financial statements is included in the financial section of the Statewide Single Audit Report of the State of Indiana.

The State is responsible for ensuring that an adequate internal control structure is in place to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized user disposition and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of internal control should not exceed the benefits likely to be derived and that the evaluation of costs and benefits requires management to make estimates and judgments.

This internal control structure is subject to periodic evaluation by management and internal audit staff of the various State agencies. As part of the Single Audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the State of Indiana has complied with applicable laws and regulations.

Last year, the State adopted GASB Statement No. 34 as required by Generally Accepted Accounting Principles. GASB 34 provides for two types of statements, government-wide and fund statements. The government-wide statements are very similar to the private sector's statements, using the full accrual basis of accounting and the economic resources measurement

focus. The governmental funds financial statements use the modified accrual basis of accounting and the current financial resources measurement focus. In the government-wide statements, infrastructure (roads, bridges, dams) has been capitalized. Capital assets, except for infrastructure using the modified approach, are depreciated like the private sector.

GASB Statement No. 34 provides for the presentation of Management's Discussion and Analysis (MD&A) in the Financial Section. The MD&A introduces the basic financial statements and provides an analytical overview of the government's financial activities. It is presented before the basic financial statements. We encourage you to read it to get an in-depth analysis of the State of Indiana's finances.

This CAFR is presented in three sections: Introductory, Financial, and Statistical.

The Introductory Section includes this transmittal letter, a list of former Auditors of State, the Table of Contents, the Certificate of Achievement for Excellence in Financial Reporting Award, the State Organizational Chart, and a listing of Selected State Officials.

The Financial Section includes the independent auditor's report, Management's Discussion and Analysis, the basic financial statements, required supplementary information, and other supplementary information.

The financial statements include government-wide and fund financial statements, representing all funds for which the State of Indiana is accountable, based on criteria for defining the financial reporting entity prescribed by the Governmental Accounting Standards Board. The criteria for inclusion are based on fiscal dependency, financial accountability, selection of governing authority, and ability to significantly influence operations. Based on these criteria, the various funds and entities shown in this report are considered as part of the reporting entity.

The Statistical Section includes selected financial and demographic information, generally presented on a multi-year basis.

Profile of the Government

Located in America's heartland in the Midwest, Indiana is a leading manufacturing State and a major agricultural producer. The latest U.S. Census Bureau estimate places Indiana's population at 6,159,068, which makes Indiana the nation's 14th largest State. The State is 64 percent urban and 36 percent rural. The five largest cities are Indianapolis, the capital, Fort Wayne, Evansville, South Bend and Gary.

Indiana became the 19th State of the Union on December 11, 1816. The constitution establishes the government in three separate departments: legislative, executive including administrative, and judicial. The legislative power of the State is vested in the Indiana General Assembly, which consists of a 100 member House of Representatives and a 50 member Senate. The Indiana General Assembly has the power to enact laws which are not prohibited by the State constitution and not in conflict with Federal laws and powers. The executive power of the State is vested with the Governor. The State constitution and legislation establish the following state-wide elected administrative officials: Lieutenant Governor, Auditor of State, Secretary of State, Treasurer of State, Attorney General, Superintendent of Public Instruction, and Clerk of the Courts. The judicial power of the State is vested in one Supreme Court consisting of five justices, one Court of Appeals consisting of 15 judges, 92 Circuit Courts, and one Tax Court.

The State government provides a wide range of services to the citizens of Indiana, including education, transportation, public health, public safety, welfare, and conservation, culture and economic development.

This report includes the financial activities and balances of the State of Indiana and its component units. The component units are legal separate entities for which the State of Indiana has financial responsibility and include State funded colleges and universities, and other legally separate entities that provide services and benefits to local governments and the citizens of the State of Indiana. More information on the financial reporting entity can be found in Note I(A) in the notes to the financial statements.

The Indiana General Assembly meets every other year to adopt a biennial budget, which is submitted by the Governor. The General Assembly enacts the budget through passage of specific appropriations, the sum of which may not exceed estimated funding sources. Budgetary control is exercised in that agencies of the State may only expend appropriations as allotted by the Budget Agency or other statutory authority. The State Board of Finance, which consists of the Governor, Auditor of State, and Treasurer of State, is empowered to transfer appropriations from one fund of the State to another, with the exception of trust funds. The State Budget Agency may transfer, assign and reassign appropriations made for one specific purpose to another use or purpose within the same agency.

Factors Affecting Financial Condition

The information presented in the financial statements is better understood within the context of the specific environment within which the State of Indiana operates. The following describes that environment.

Local Economy

Over the last decade, Indiana's economy has grown in size and diversity. With an estimated 2001 Gross State Product of more than $189.9 billion, Indiana's economy ranks as the 16th largest in the country in terms of the value of goods and services produced. The State ranks in the top five nationally for producing items as diverse as pharmaceuticals, surgical supplies, aircraft engines and parts, compact discs, musical instruments, truck and bus bodies, electronic resistors and steel.

From 1990 to 2002, Indiana has seen its distribution of personal income shift dramatically among various industries. In 1990, the manufacturing sector was the largest contributor to Indiana personal income, contributing 32% of the total; in 2002, that contribution fell to 25%. In 1990, the services sector was the second largest contributor to Indiana personal income, contributing 20% of the total; in 2002, the services sector is the largest contributor to Indiana personal income, contributing 28% of the total. Other notables are the trade and government sectors; each of those sectors has seen their contribution to Indiana personal income decrease from 1990 to 2002.

Not surprisingly, Indiana has seen a shift in the distribution of employment among sectors. From 1990 to 2002, Indiana has seen negative growth in manufacturing employment while services, trade, and construction employment have seen growth rates of 39%, 11%, and 23%, respectively.

In 2002, Indiana's per capita personal income reached $28,240, increasing 2.6% over 2001. Over the past ten years, Indiana's personal income has grown at an average annual rate of 4.8%. From 1990 to 2000 Indiana's median household income has grown faster than the U.S., averaging an annual growth rate of 3.9% versus 3.1% for the U.S. In 2002, median household income was $41,581 or 97% of the U.S. average, up from 90% in 1990. Indiana has the eleventh lowest poverty rate in the nation, with 8.7% of the state living below the poverty level in 2002.

Cash Management and Investments

Cash temporarily idle during the year was invested in money market accounts, certificates of deposit, obligations of the U.S. Treasury, and repurchase agreements. The pension trust funds' portfolios include other investments as outlined in Note I(D)(1) in the notes to the financial statements. The average yield on investments, except for the pension trust funds, was 1.91%. The State's investment policy is to minimize credit and market risks while maintaining sufficient liquidity and earning a competitive yield on its portfolio. Deposits are insured by federal and state depository insurance.

Debt Administration

The commissions and authorities, some of which are included as component units in the financial reporting entity of the State of Indiana, issue bonds for some of the State's capital needs. All of the bond issues are revenue bonds associated with specific State component units. The total of long-term revenue bonds and notes outstanding, net of amortized discounts, is $8.03 billion at June 30, 2003.

Risk Management

The State of Indiana assumes the cost of the risks associated with Unemployment Compensation Benefit Claims for State employees, Workers' Compensation Benefit Claims for State employees, Tort claims filed against the State, Medical Malpractice claims filed against State hospitals, accidents caused by State motor vehicles, and on State owned real property, including public buildings. The State administers self-insurance funds for certain employee health benefits, disability and death benefits.

Pension Benefits

The State of Indiana sponsors eight public employee retirement systems (PERS). One of these, the State Police Pension Fund, is part of the primary government. The Public Employees' Retirement Fund and the State Teachers' Retirement Fund are discretely presented component units. In addition to its own fund, the board of the Public Employees' Retirement Fund administers the following funds: the 1977 Police Officer and Firefighters' Pension and Disability Fund, the Excise Police and Conservation Enforcement Officers' Retirement Fund, the Prosecuting Attorneys' Retirement Fund, the Legislators' Retirement System, and the Judges' Retirement Fund.

Major Initiatives

K-12 Education – Indiana, through the Education Roundtable, continues its efforts to develop and implement rigorous standards in math, language arts, science and social studies. Consistent with the No Child Left Behind Act and Indiana's own P.L. 221-1999, ISTEP+ testing is now being

given in grades 3-10 in math and language arts. Science is being piloted now. Social Studies testing is scheduled to begin in the next couple of years. The General Assembly rewrote the school funding formula to include charter schools in the regular distribution of state money for all schools.

Public Health – Indiana's Chronic Disease Management Program won a National Vision Award from the Robert Wood Johnson Foundation's Office of Improving Chronic Illness Care. The Indiana Chronic Disease Management Program is a joint effort between the Family and Social Services Administration and the Indiana State Department of Health. The program allows nurse care managers to work directly with Medicaid participants to provide a personalized plan to help them improve their health.

Public Health – The Indiana Dawn Project was recognized by the President's New Freedom Commission on Mental Health as one of the best programs in the nation. The Dawn project stresses intensive community-based care over in-patient hospital facilities.

Public Health – The U.S. Department of Health and Human Services awarded Indiana a $500,000 federal grant award to increase awareness of programs such as Indiana's M.E.D. Works, designed to allow working individuals with incomes too high for regular Medicaid to be eligible for health coverage.

Public Health – For the second year in a row the Division of Family and Children at the Family and Social Services Administration received a TANF high performance bonus award for helping TANF recipients find and keep jobs. The award totaled $9.1 million.

Public Health – The American Council for an Energy-Efficient Economy has presented Indiana an Exemplary Award for its Refrigerator Replacement Program. The Council found Indiana among the nation's leaders in helping low-income families save thousands of dollars in energy costs.

Public Health – The President's New Freedom Initiative awarded Indiana a $500,000 grant to enhance community-based services for senior citizens and people with disabilities. The Family and Social Services Administration will use the grant to provide quality improvement and oversight to people receiving services on Medicaid waivers administered by the Bureau of Aging and In-Home Services.

Public Health – Once again, Indiana's Healthy Families program has been honored by Prevent Child Abuse/Healthy Families America as one of the top two states with a multi-site prevention program for child abuse and neglect. Indiana serves 56 Healthy Family sites throughout the State providing early intervention to mostly low income, at risk families.

Higher Education – Indiana has concentrated part of its efforts on improving and enriching the Indiana economy through higher education. A new program was initiated to provide additional funding to research institutions that are able to increase their research grants, infusing money and jobs into the economy. Indiana also provided targeted appropriations to all state supported colleges and universities designed to stimulate the economy, including funding for programs in Informatics, Biomedical Engineering, Digital Communications and Nursing. State aid for students attending public and private colleges and universities is increased 14% in fiscal year (FY) 04 and an additional 12% in FY 05.

Awards and Acknowledgements

Certificate of Achievement Award

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the State of Indiana for its comprehensive annual financial report for the fiscal year ended June 30, 2002. This was the tenth consecutive year that the State of Indiana has achieved this prestigious award.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

We acknowledge the cooperation and assistance of all State agencies in the preparation of this report.

Sincerely,

Connie K. Nass
Auditor of State
State of Indiana

Marilyn F. Schultz
Director
State Budget Agency

Certificate of Achievement for Excellence in Financial Reporting

Presented to

State of Indiana

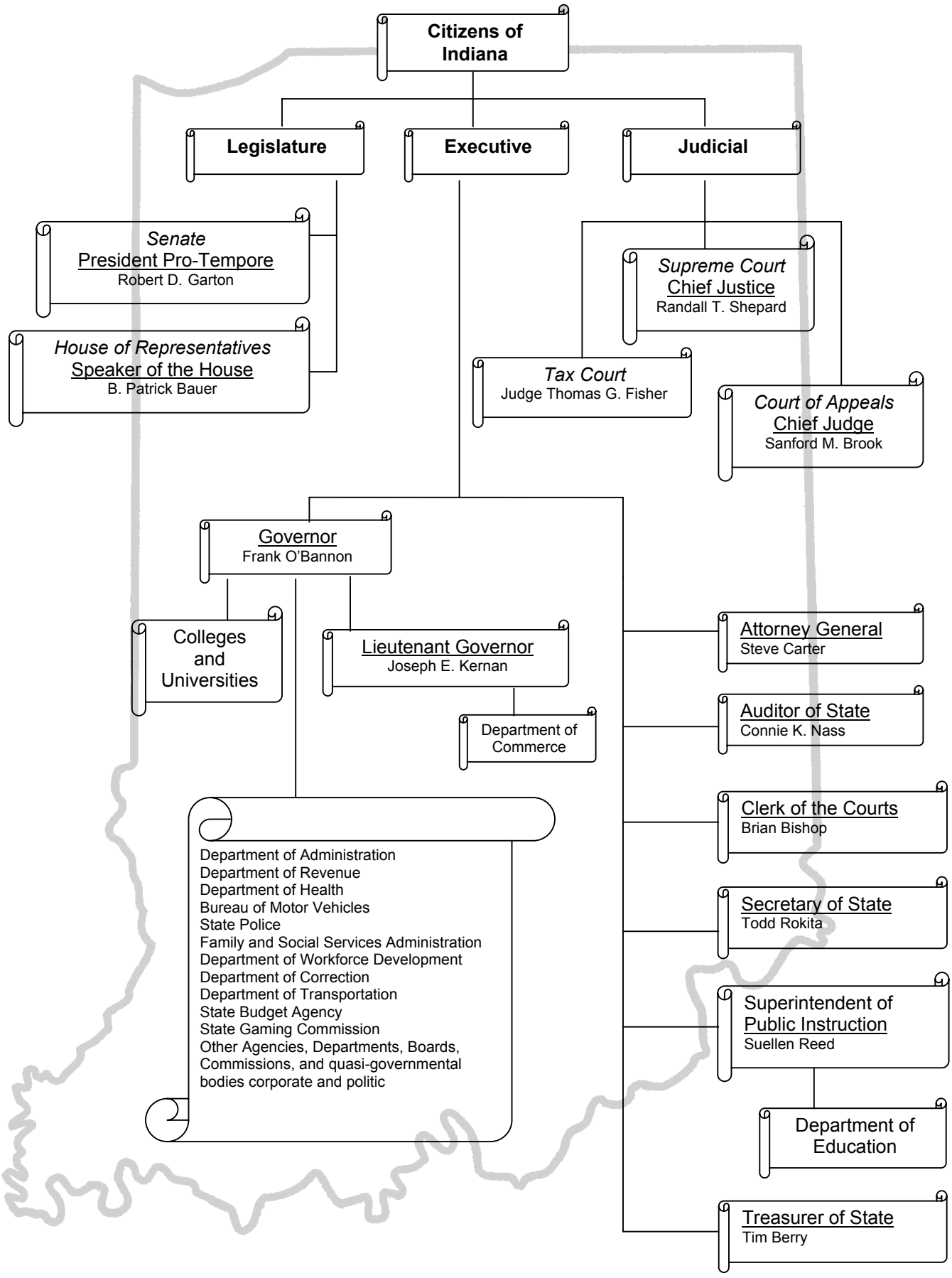
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2002

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director


Citizens of Indiana
Legislature
Executive
Judicial
Senate
President Pro-Tempore
Robert D. Garton
House of Representatives
Speaker of the House
B. Patrick Bauer
Supreme Court
Chief Justice
Randall T. Shepard
Tax Court
Judge Thomas G. Fisher
Court of Appeals
Chief Judge
Sanford M. Brook
Governor
Frank O'Bannon
Colleges and Universities
Lieutenant Governor
Joseph E. Kernan
Department of Commerce
Department of Administration
Department of Revenue
Department of Health
Bureau of Motor Vehicles
State Police
Family and Social Services Administration
Department of Workforce Development
Department of Correction
Department of Transportation
State Budget Agency
State Gaming Commission
Other Agencies, Departments, Boards, Commissions, and quasi-governmental bodies corporate and politic
Attorney General
Steve Carter
Auditor of State
Connie K. Nass
Clerk of the Courts
Brian Bishop
Secretary of State
Todd Rokita
Superintendent of Public Instruction
Suellen Reed
Department of Education
Treasurer of State
Tim Berry

FINANCIAL SECTION



Tippecanoe Battlefield Monument

THE BATTLEFIELD OF TIPPECANOE

TIPPECANOE COUNTY, INDIANA
November 7, 1811

A marker at the Battlefield reads:

"Here on this site, military forces commanded by General William Henry Harrison engaged in battle with the Indians of the Wabash country led by The Prophet, brother of the great Indian leader, Tecumseh. This battle destroyed forever the hope of Tecumseh for a complete Indian Confederacy, launched Harrison toward the Presidency of the United States twenty-nine years later and is considered one of the primary events leading to conflict between the United States and Great Britain in the War of 1812."



Harrisonville Cemetery



Tippecanoe Battlefield Chapel, built in 1850

Photographs courtesy of Adina Watkins Dyer © 1998-2001
In partnership with the Tippecanoe County INGenWeb Project. All rights reserved.


SEAL OF THE STATE OF INDIANA
1816

STATE OF INDIANA

AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
4TH FLOOR, ROOM E418
INDIANAPOLIS, INDIANA 46204-2765
(317) 232-2513

INDEPENDENT AUDITOR'S REPORT

TO: The Honorable Joseph E. Kernan
The Members of the General Assembly, and
The Citizens of the State of Indiana

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Indiana, as of and for the year ended June 30, 2003, which collectively comprise the State's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the State of Indiana's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of certain component units of the State, as discussed in Note I(A), which represent 10.4% and .6% of the assets and revenues of the governmental activities, 71.1% and 58.8% of the business-type activities and 100% of the assets and revenues of the governmental and proprietary discretely presented component units. The financial statements of these component units were audited by other auditors whose reports thereon have been furnished to us, and our opinions, insofar as they relate to those units, are based upon the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Indiana as of June 30, 2003 and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note IV(G) to the financial statements, the State of Indiana has restated certain beginning fund balances and net assets. The Housing Finance Authority, a discretely presented component unit, reports on a December 31, 2002 year-end.

The Management Discussion and Analysis, schedule of funding progress for employee retirement systems and plans and budgetary comparison information as listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State of Indiana's basic financial statements. The introductory section, combining and individual nonmajor and discretely presented component unit fund information, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor and discretely presented component unit financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects, in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

State Board of Accounts

STATE BOARD OF ACCOUNTS

December 29, 2003

MANAGEMENT'S DISCUSSION AND ANALYSIS



STATE OF INDIANA
Management's Discussion and Analysis
June 30, 2003

The following discussion and analysis of the State of Indiana's financial performance provides an overview of the State's financial activities for the fiscal year ended June 30, 2003. Please read it in conjunction with the transmittal letter at the front of this report and the State's financial statements, which follow this section.

Financial Highlights

- For FY 2003, on a government-wide basis, the assets of the State of Indiana exceeded its liabilities by $14.5 billion. This compares with $14.7 billion for FY 2002, as restated. Of this amount, $3.0 billion may be used to meet the government's ongoing obligations to citizens and creditors.
- At the end of the current fiscal year, unreserved fund balance for the general fund was $871.1 million, or 11.6% of the total general fund expenditures.
- On a government-wide basis for the primary government, the State incurred expenses net of program revenue of $11.9 billion, which are partially offset by general revenues and transfers of $11.7 billion, giving a decrease in net assets of $202.1 million. The financial position of the State has deteriorated as can be seen in this decrease in net assets. This compares with a decrease in net assets of $907.1 million for FY 2002.
- Indiana continues to feel the effects of the economic recession. While the unemployment rate dropped from 5.1% to 4.7% in FY 2003, there have been increases in personal bankruptcies and increases in the number of citizens on welfare for the State over the course of FY 2003. Per the American Bankruptcy Institute, for FY 2003, the State ranks sixth worst in number of households in personal bankruptcy filings. During calendar year (CY) 2002, the State had an 11.4% rise in personal bankruptcy filings, compared to a 7.2% increase nationally. In 2002, Indiana experienced the largest percentage increase (20%) in the number of people on welfare, compared to a 2.2% decrease nationwide, according to a study by the Center for Law and Social Policy.
- General revenue for the primary government increased by $1.25 billion, or 12.0%, from FY 2002. The revenue increased because the budget bill passed during the General Assembly's special session, which was signed into law on July 1, 2002, increased the sales tax from 5% to 6% effective December 1, 2002, increased riverboat gaming, cigarette, and gasoline taxes, and reduced property taxes and corporate income taxes.
- The State of Indiana is rated AA+ by Standard & Poor's (on a scale where AAA is the best). As of November 4, 2003, 20% of the states were rated AAA, 20% were rated AA+, and 28% were rated AA. Standard & Poor's changed the outlook for the State to negative as of January 18, 2002, which means that the rating may be lowered. Each bond issue of the State's component units is rated separately by Moody's. 21 of the 30 bond issues are rated Aaa (on a scale where Aaa is the best), with the outlook for the State revised to negative as of November 15, 2003.

Key Economic Indicators

	Dec 31, 2002	Dec 31, 2001	% Change
Total Employment	2,926,700	2,937,600	-0.4%
Service-Producing Employment	2,166,200	2,165,000	0.1%
Goods-Producing Employment	760,500	772,600	-1.6%
Unemployment Rate[1]	4.7%	5.1%	0.4%
Median Household Income	$ 41,034	$ 41,847	-1.9%

[1] Data as of June 30, 2003 and June 30, 2002, respectively

Sources: Bureau of Labor Statistics, Current Employment Statistics Series and Local Area Unemployment Statistics, US Census Bureau, Income in the United States: 2002

Salaries and benefits for State employees represent approximately 9-10% of governmental fund expenditures. The following table shows a five year history of the count of State employees.

Full Time State Employees Paid Through The Auditor of State's Office

	Governor's Authority	Judiciary	Other Elected Officials	On Disability Leave	Total
1999	35,602	816	1,016	1,159	38,593
2000	36,284	836	1,014	1,235	39,369
2001	36,134	862	1,018	1,263	39,277
2002	35,907	869	1,021	1,315	39,112
2003	35,753	899	1,039	1,217	38,908

For information on State employees by agency, please see pages 188-189 in the Statistical Section.

Overview of the Financial Statements

This Financial Section consists of four parts: management's discussion and analysis (this part), the basic financial statements, required supplementary information, and other supplementary information. The basic financial statements include two kinds of statements that present different views of the State. The first two statements are government-wide financial statements that provide both long-term and short-term information about the State's overall financial status.

The remaining statements are fund financial statements that focus on individual parts of the State government, reporting the State's operations in more detail than the government-wide statements.

- The governmental fund statements tell how general government services such as public safety, education, and welfare were financed in the short term as well as what remains for future spending.
- Proprietary fund statements offer short and long-term financial information about the activities the government operates like businesses, such as the State Lottery Commission and the Indiana Transportation Finance Authority's Toll Roads.
- Fiduciary fund statements provide information about the financial relationships in which the State acts solely as a trustee or agent for the benefit of others, to whom the resources in question belong, such as the retirement plan for the State's employees.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* and *other supplementary information* that further explain and support the information in the financial statements.

Government-wide Financial Statements

The government-wide financial statements report information about the State as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the State's net assets and how they have changed. Net assets, the difference between the State's assets and liabilities, is one way to measure the State's financial health, or position. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the State of Indiana is improving or deteriorating. To assess the overall health of the State, additional non-financial factors should be considered, such as changes in the State's tax base, the condition of the State's roads and the State's student population. The government-wide financial statements of the State are divided into three categories:

- **Governmental activities**. Most of the State's basic services are included here, such as the State's roads and bridges, and health and environmental programs. State sales and income taxes and federal grants finance most of these activities.

- **Business-type activities**. The State provides goods and services through these activities that are financed or recovered primarily through fees and user charges. The Hoosier Lottery and the East-West Toll Road are included here.
- **Discretely Presented Component Units**. These are legally separate discretely presented entities for which the State is financially accountable. These include, among others, the Indiana Bond Bank, the Board for Depositories, the Indiana Housing Finance Authority, and colleges and universities that receive state funding.

Fund Financial Statements

The fund financial statements provide more detailed information about the State's most significant funds, not the State as a whole. Funds are accounting devices that the State uses to keep track of specific sources of funding and spending for particular purposes. The State of Indiana uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The State has three kinds of funds: governmental funds, proprietary funds, and fiduciary funds.

1. **Governmental funds**. Most of the State's basic services are included in governmental funds, which focus on (1) cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the State's programs.

   *Relationship and Reconciliation***.** Because the information provided in the governmental funds statements does not encompass the additional long-term focus of the government-wide statements, reconciliation pages are provided. On the page following each governmental fund's financial statement, these reconciliations explain the differences between the government-wide and the fund financial statement. Government-wide statements use full accrual accounting. Revenues are recognized when they are earned and expenses are recognized as soon as the liability is incurred, regardless of the timing of related cash inflows and outflows. Governmental fund financial statements use the modified accrual basis of accounting. Revenues are recognized when earned so long as they are collectible within the current period or soon enough afterwards to pay liabilities of the current period. Debt service payments and a number of specific accrued liabilities are recognized as expenditures when payment is due because that is when they are normally liquidated with expendable available financial resources.

   Noncurrent assets such as infrastructure, land, and property, plant and equipment appear on the government-wide statements but not on the governmental fund statements where they are expensed as acquired rather than capitalized. Noncurrent liabilities such as revenue bonds payable and net pension obligations also appear on the government-wide statements but not on the fund statements. Internal service funds are included as part of the governmental activities in the government-wide statements but not the governmental fund financial statements because they provide services to the governmental funds.

2. **Proprietary funds**. Services for which the State charges customers a fee are generally reported in proprietary funds. These funds use the economic resources measurement focus and the accrual basis of accounting. Proprietary funds, like the government-wide statements, provide both long-term and short-term financial information. In fact the State's enterprise funds (one type of proprietary fund) are the same as its business-type activities, but provide more detail and additional information such as cash flows. The State uses internal service funds (the other type of proprietary fund) to report activities that provide supplies and services for the State's other programs and activities. An example would be the State Office Building Commission.

3. **Fiduciary funds**. The State is the trustee, or fiduciary, for its employees' pension plans. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. The State is responsible for ensuring that the assets reported in these funds are used for their intended purposes. Fiduciary funds use the economic resources measurement focus and the accrual basis of accounting. All of the State's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. These activities are excluded from the State's government-wide financial statements because the State cannot use these assets to finance its operations.

Financial Analysis of the State As a Whole

Net Assets

The following is condensed from the Statement of Net Assets:

State of Indiana
Condensed Schedule of Net Assets
(in millions of dollars)

	Primary Government					
	Governmental Activities		Business-type Activities		Total Primary Government	
	2003	2002	2003	2002	2003	2002
Current and other assets	$ 7,962.1	$ 7,461.4	$ 3,302.4	$ 3,297.7	$ 11,264.5	$ 10,759.1
Capital assets	10,429.6	10,181.0	255.7	249.1	10,685.3	10,430.1
Total assets	18,391.7	17,642.4	3,558.1	3,546.8	21,949.8	21,189.2
Current liabilities	3,972.8	3,479.7	167.8	161.6	4,140.6	3,641.3
Long-term liabilities	1,763.6	1,842.1	1,544.8	1,289.7	3,308.4	3,131.8
Total liabilities	5,736.4	5,321.8	1,712.6	1,451.3	7,449.0	6,773.1
Net assets:						
Invested in capital assets, net of related debt	9,664.9	8,683.3	36.9	19.8	9,701.8	8,703.1
Restricted	534.1	666.4	1,218.2	2,054.3	1,752.3	2,720.7
Unrestricted	2,456.3	2,970.9	590.4	21.4	3,046.7	2,992.3
Total net assets	$ 12,655.3	$ 12,320.6	$ 1,845.5	$ 2,095.5	$ 14,500.8	$ 14,416.1

At the end of the current fiscal year, unrestricted net assets for governmental activities were $2.5 billion, or 12.8% of the total governmental activities' expenses, as compared to $3.0 billion, or 16.2%, for FY 2002. Unrestricted net assets were 36.1% of expenses for business-type activities, as compared to 1.4% in FY 2002.

The State maintains a Counter-Cyclical Revenue and Economic Stabilization Fund ("Rainy Day Fund"). This fund was established to assist in stabilizing revenue of the State's general fund during periods of economic recession. The fund had total assets of $248.1 million or 10.1% of the total governmental activities' unrestricted net assets.

Changes in Net Assets

The following is condensed from the Statement of Activities:

State of Indiana
Condensed Schedule of Change in Net Assets
(in millions of dollars)

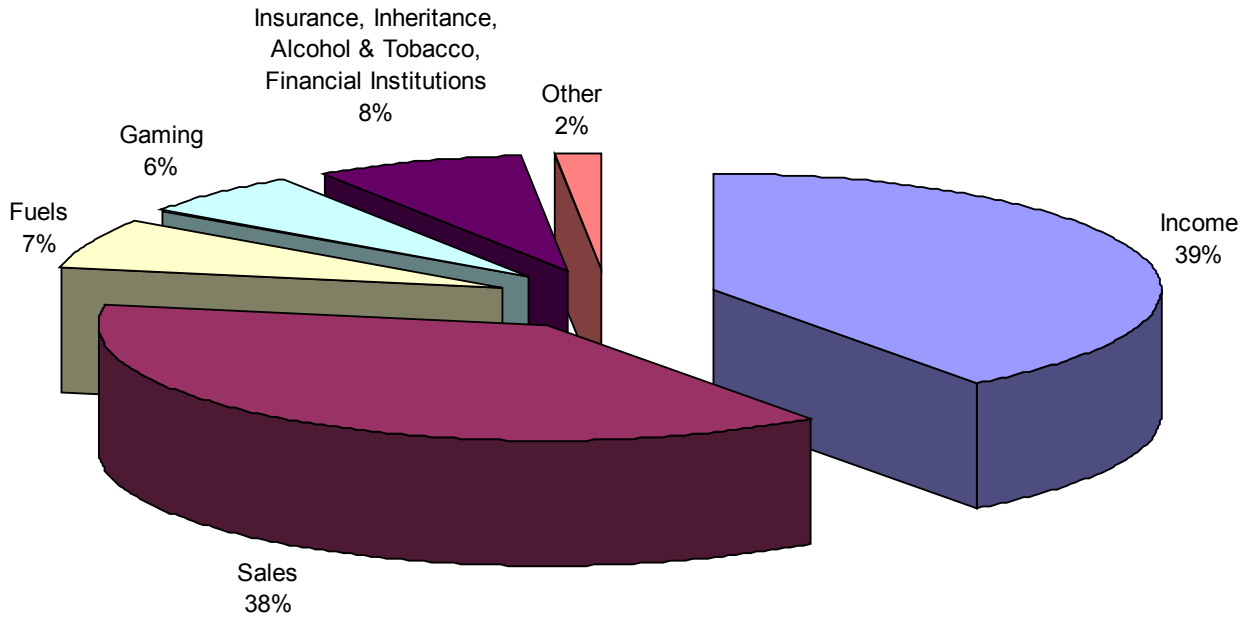
	Primary Government					
	Governmental Activities		Business-type Activities		Total Primary Government	
	2003	2002	2003	2002	2003	2002
Revenues						
Program revenues:						
Charges for services	$ 1,210.4	$ 1,178.8	$ 853.1	$ 1,049.5	$ 2,063.5	$ 2,228.3
Operating grants and contributions	6,677.2	6,171.9	170.5	0.6	6,847.7	6,172.5
Capital grants and contributions	15.6	37.0	17.8	92.3	33.4	129.3
General revenues						
Individual and corporate income taxes	4,428.3	4,307.6	-	-	4,428.3	4,307.6
Sales taxes	4,210.5	3,630.1	-	-	4,210.5	3,630.1
Other	2,632.1	2,159.1	408.8	329.0	3,040.9	2,488.1
Total revenues	19,174.1	17,484.5	1,450.2	1,471.4	20,624.3	18,955.9
Program Expenses						
General government	3,049.7	3,097.8	-	-	3,049.7	3,097.8
Public safety	1,198.6	1,134.0	-	-	1,198.6	1,134.0
Health	323.6	332.7	-	-	323.6	332.7
Welfare	6,534.7	6,403.5	-	-	6,534.7	6,403.5
Conservation, culture and development	480.8	473.1	-	-	480.8	473.1
Education	6,243.7	5,718.3	-	-	6,243.7	5,718.3
Transportation	1,278.9	1,099.5	-	-	1,278.9	1,099.5
Interest expense	80.9	87.3	-	-	80.9	87.3
Toll roads	-	-	90.8	85.7	90.8	85.7
Aviation Technology Bonds	-	-	0.7	-	0.7	-
Airport Facilities Revenue Bonds	-	-	12.0	-	12.0	-
State revolving fund	-	-	62.6	50.3	62.6	50.3
Unemployment compensation fund	-	-	887.5	804.9	887.5	804.9
State lottery commission	-	-	552.2	521.1	552.2	521.1
Other	-	0.5	29.7	23.6	29.7	24.1
Total expenses	19,190.9	18,346.7	1,635.5	1,485.6	20,826.4	19,832.3
Excess (deficiency) before transfers	(16.8)	(862.2)	(185.3)	(14.2)	(202.1)	(876.4)
Transfers	105.8	85.8	(105.8)	(107.2)	-	(21.4)
Other	-	(9.3)	-	-	-	(9.3)
Change in net assets	89.0	(785.7)	(291.1)	(121.4)	(202.1)	(907.1)
Beginning net assets, as restated	12,566.3	13,106.4	2,136.6	2,216.9	14,702.9	15,323.3
Ending net assets	$ 12,655.3	$ 12,320.7	$ 1,845.5	$ 2,095.5	$ 14,500.8	$ 14,416.2

Governmental Activities

Expenses exceeded program revenues by $11.3 billion. General revenues and transfers were $11.4 billion, leaving an increase in net assets of $89.0 million, which is 0.5% of total revenues. During the fiscal year the State received $148 million from Tobacco Settlement Master Agreement, which represents 0.8% of total revenues. Transfers of $108.7 million, or 0.6% of total revenues, were received from the State Lottery Commission. Without these two revenue sources, the state would have had a decrease in net assets of $168 million, which is 0.9% of total revenues.

Tax revenues for governmental activities were broken down as follows:

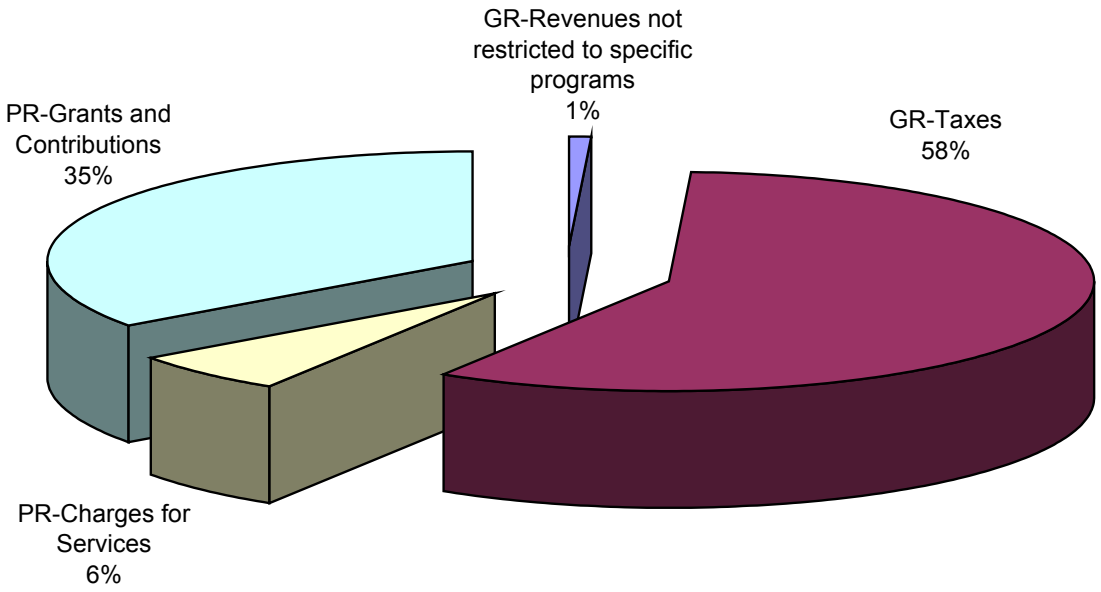
Tax Revenues - Governmental Activities



Tax revenues of $11.1 billion represent 57.9% of total revenues for governmental activities. Income tax dropped from 43% of tax revenues in FY 2002 to 39% in FY 2003 due to the increase in sales tax and cigarette tax, which increased from 37% to 38% and from 5% to 8%, respectively. Program revenues accounted for $7.9 billion or 41% of total revenues, which decreased from 43% of total revenues in FY 2002. Revenues not restricted to specific programs were $172 million or 0.9% of total revenues. Of this $172 million, $60.3 million was investment earnings, which decreased from $124.5 million in FY 2002 due to historically low interest rates.

Total revenues for governmental activities were broken down as follows:

Revenues to Support Governmental Activities



PR = program revenues
GR = general revenues

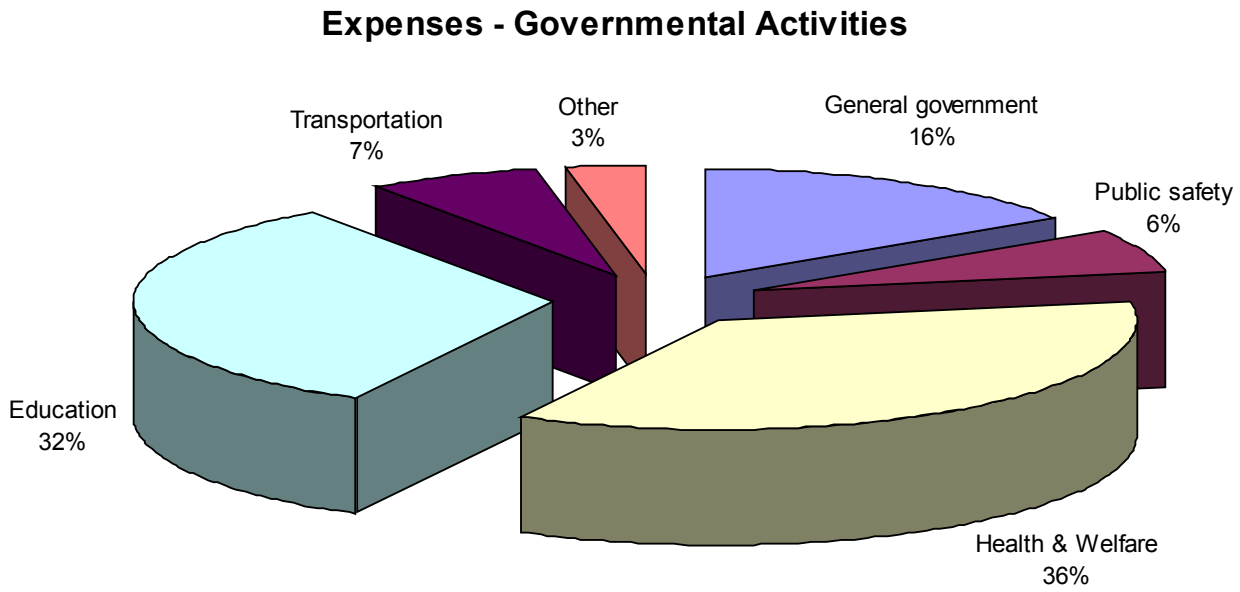
Total revenues were 99.9% of expenses, as compared to 95.3% in FY 2002. The difference was partially covered by transfers from business-type activities, primarily the Indiana State Lottery Commission.

The largest portion of the State's expenses is Health and Welfare, which is $6.9 billion, or 35.7% of total expenses. This compares with $6.7 billion, or 36.7% of total expenses in FY 2002. 66% is funded through operating grants, with the majority of the remainder funded from general revenues. $4.1 billion was spent for Medicaid assistance, as compared to $3.8 billion in FY 2002.

Education comprises 32.5%, or $6.2 billion, of the State's expenses. In FY 2002, Education accounted for 31.1%, or $5.7 billion, of expenses. All but $607.7 million of this is funded from general revenues. The expenses are composed of tuition support, transportation, and the ADA (average daily attendance) flat grant distribution. The National School Lunch Program is another area of expense, which is funded through program revenues.

$3.0 billion, or 15.9% of expenses, was spent for General Government. General Government, which comprised $3.1 billion (16.9%) of expenses in FY 2002, includes local distributions and money for state administration and those functions that serve the state as a whole. Examples of local distributions are the property tax replacement credit, which subsidizes local property tax collections, and the motor vehicle excise replacement credit, which subsidizes automobile license fees. Examples of state administration would be the executive branch of government, the state legislature, and the judiciary.

Total expenses for governmental activities were broken down as follows:



Business-type Activities

Business-type activities represent 7.0% of the Primary Government's revenues and 7.9% of the expenses. The State Lottery Commission accounts for 63.8% of business-type activities' program revenues and 33.8% of expenses. Profits of the State Lottery Commission help to fund the State's retirement plans, and, through the Build Indiana Fund, the motor vehicle excise tax credit, and capital projects for local governments. The Unemployment Compensation Fund's expenses make up 54.3% of business-type activities' expenses.

Net Cost of Primary Government
(in millions of dollars)

	June 30, 2003	June 30, 2002	% Change
Governmental Activities:			
Education	5,636.0	5,184.7	8.7%
General government	2,502.3	2,613.6	-4.3%
Welfare	1,931.6	1,888.6	2.3%
Public safety	425.9	487.3	-12.6%
Transportation	378.0	352.7	7.2%
Conservation, culture, and development	193.0	176.2	9.5%
Health	140.0	168.0	-16.7%
Other	80.9	87.8	-7.9%
Business-type Activities:			
Unemployment Compensation Fund	717.0	547.5	31.0%
Other	6.2	(1.8)	-438.8%
State Revolving Fund	(16.8)	(97.2)	-82.8%
State Lottery Commission	(112.2)	(105.2)	6.7%
TOTAL	**11,881.9**	**11,302.3**	**5.1%**

This schedule shows the net expense (revenue) attributable to each function of government. Each function of Indiana government is either self-supporting (a negative number) or requires additional general revenues to cover expenses (a positive number).

Financial Analysis of the State's Funds

The following is an analysis of the State's major governmental funds:

General Fund

The General Fund is maintained to account for resources obtained and used for those services traditionally provided by State government which are not required to be accounted for in another fund. The fund balance of the General Fund at June 30, 2003 was $1.26 billion, which is 34.4% of assets. This compares to a fund balance at June 30, 2002 of $1.08 billion, which was 35.3% of assets. This indicates that the State's financial position in the General Fund is better than the prior year by $0.18 billion. The fund balance of $1.26 billion is composed of reserves of $387 million and unreserved of $871 million. Major reserves are:

- Encumbrances of $25 million, which is money set aside to pay for future obligations.
- Loans of $54.1 million, which consists of $37.1 million in loans to entities outside the primary government and $17.0 million in interfund loans.
- Tuition support of $305 million, which is money set aside for July distributions to schools.

The State calculates a cash basis surplus balance monthly. The year-end surplus balance is combined with estimated revenue forecasts to assess and determine the State's budget. This surplus balance is contained in the General Fund. As of June 30, 2003, the surplus balance was $689.7 million. The balance increased 167.7 million over the June 30, 2002 balance of 522.0 million. This surplus balance is composed of:

- $305.0 million tuition support, which is money set aside to pay for July distributions to schools.
- $248.1 million rainy day fund, which is to assist in stabilizing revenue during periods of economic recession and is part of designated unreserved.
- $136.6 million, which represents the excess of revenues over expenditures and accounts for the bulk of the increase over FY 2002.

The $136.6 million is on a cash basis. Accrual adjustments of $36.4 million reconcile this to the General Fund unreserved, undesignated fund balance on a GAAP basis of $173.0 million. For more information on the cash basis surplus, see page 158 in the Statistical Section. The unreserved, undesignated fund balance of $173.0 million plus the unreserved fund balance designated for appropriations of $290.0 million, plus the unreserved fund balance designated for allotments of $408.1 million give the total unreserved fund balance of $871.1 million. This ties to the Balance Sheet for the General Fund. For more information on designations of unreserved fund balance, see the chart at the bottom of page 62.

The General Fund's revenues increased 4.1%, or $298.1 million, from FY 2002, primarily due to a 333% increase, or $243.0 million, in cigarette tax revenue and a 956% increase, or $106.4 million, in grant revenue, due to the Federal Jobs & Growth Tax Relief Reconciliation Act of 2003. Income tax revenue dropped by 1.9%, or $82.1 million, in comparison with FY 2002. The General Fund's expenditures decreased 0.2%, or $13.8 million, from FY 2002.

Motor Vehicle Highway Fund

The Motor Vehicle Highway Fund receives portions of gas and special fuel tax, motor vehicle registration fees, the motor carrier surtax, federal revenue, and other revenues. These are distributed to cities and towns, counties and the State Department of Transportation and are used to help fund the State Police, the Bureau of Motor Vehicles, the Department of Revenue and others. The fund collected $463 million in taxes, $56.1 million in International Registration Plan (IRP) fees from motor carriers, $15 million in federal grants, and $12 million in other fees. The fund received $246 million in transfers in, which are taxes collected in other funds. These figures are virtually unchanged from FY 2002. The fund distributed $290 million to local units of government, $191 million for public safety, and transferred $315 million to other funds, which include the Department of Transportation and the General Fund. These amounts compare to FY 2002 distributions of $276 million to local units of government, $172 million for public safety, and transfers of $411 million to other funds.

Medicaid Assistance Fund

Medicaid is an insurance program for low-income and needy people. It is jointly funded by the Federal government and the State. The Medicaid Assistance Fund received $2.6 billion in Federal revenue and used $1.5 billion in State revenue. The Fund distributed $4.1 billion in Medicaid assistance. This compares to $2.5 billion in Federal revenue, $1.9 billion in State revenue, and $3.8 billion distributed in FY 2002.

Build Indiana Fund

The Build Indiana Fund receives revenues from the Hoosier Lottery through the State Lottery Commission, Riverboat Wagering Tax through the Indiana Gaming Commission, Horse Racing Pari-mutuel Wagering Tax through the Indiana Horse Racing Commission, and Charity Gaming Excise Tax through the Department of Revenue. The revenues are used to help fund Motor Vehicle Excise Tax Replacement, capital projects for local units of government, and State projects such as the 21st Century Research and Technology Fund, the Indiana Technology Fund and other education technology grants.

The Build Indiana Fund received $250.0 million in gaming revenue which was transferred in from other funds. The revenue decreased from $437.3 million in FY 2002 because the General Assembly capped Build Indiana Fund revenue. Of this amount, $108.7 million came from the State Lottery Commission. The fund received $132.0 million in transfers from the Property Tax Replacement Fund to cover a cash deficit in the fund. The Fund distributed $29.0 million for the Higher Education Technology Fund, $9.5 million for the Digital Television Conversion Project, $4.1 million for the 21st Century Research and Technology Fund, $3.8 million for capital projects for local units of government and $6.7 million for other technology and local grants. The Fund also earned $0.9 million in investment earnings and $0.5 million from securities lending transactions. Transfers out of the Fund included $236.2 million to the Motor Vehicle Excise Replacement account in the General Fund and $175 million to the Property Tax Replacement Fund.

State Highway Department Fund

The State Highway Department Fund was created to fund the construction, reconstruction, operation, maintenance, and control of state highways and tollways. The fund collected $706 million in grants and received $456 million in transfers in, which are taxes collected in other funds, compared with $551.3 million and $547 million in FY 2002, respectively. The fund expended $1,197 million during the year, compared with $987 million in FY 2002.

Property Tax Replacement Fund

The Property Tax Replacement Fund collects sales and corporate income taxes that are dedicated to tuition support and to property tax replacement distribution to local units of government. This is to relieve the property tax burden for the citizens of Indiana who own property. In FY 2003, the fund collected $2,020 million in sales and corporate income taxes, as compared to $1,477 million in FY2002. The fund received a transfer in of $430.9 million from the State Gaming Fund. The General Assembly enacted legislation that directs surplus lottery revenues greater than $250 million to the Property Tax Replacement Fund, rather than the Build Indiana Fund. The fund also received transfers in of $203.8 million for individual income tax, $58.8 million for corporate income tax, and $19.3 million for sales tax collected in the General Fund and $175 million from the Build Indiana Fund. $1.4 billion was distributed to local units of government for property tax relief.

Payments of property tax replacement and homestead tax credits to counties were shifted from May 2003 to July 2003 by legislation passed by the General Assembly, which left excess money in the Property Tax Replacement Fund. Any excess in the fund is transferred to the General Fund. For the year ended June 30, 2003, $158.0 million was transferred to the General Fund. In addition, transfers out include $1.5 billion to the General Fund for tuition support and $136.2 million to the Build Indiana Fund.

Tobacco Settlement Fund

The Tobacco Settlement Fund is used to receive and distribute revenue received from the Tobacco Settlement Agreement entered into on November 23, 1998, by the State and leading United States tobacco product manufacturers. During fiscal year 2003, the State collected $148.0 million from tobacco product manufacturers. The State expended $25.7 million for tobacco education, prevention, and use control, $16.9 million to fund operating and capital expenses associated with community health centers, $6.5 million for the Hoosier Rx Prescription Drug program, and $3.0 million for the Indiana Local Health Department Trust Account. Net transfers out of the Fund include $33.6 million for the Children's Health Insurance Program (CHIP), $30.3 million to the General Fund per an order of the State Board of Finance, $24.3 million for Residential Services, and $7.9 million for various health-related programs, including $4.0 million for Aging and Community Services, $2.0 million for Developmentally Disabled Services, $1.4 million for Local Maintenance, and $0.5 million for Newborn Screening. The State earned $1.1 million in investments of this money.

General Fund Budgetary Highlights

An economic downturn that began in Indiana in 2000 affected the State's General Fund. Because of a continuing decline in revenue, a special session of the General Assembly was convened in May, 2002. During that session, the governor and Legislature succeeded in passing a major tax restructuring plan, saving taxpayers from significant increases in their property taxes by raising the homestead and renters' exemptions. This restructuring was necessitated by a court ordered change in the assessment. The 2002 legislation increased the sales tax by 1 percent, the cigarette tax by 40 cents per pack and the gas tax by 3 cents per gallon. Revenue was also enhanced through an increase in the tax imposed on riverboats. Owners of the riverboats, in turn, were granted their request that dockside gambling be allowed. Actual revenue collections for fiscal year 2003 were 4.5% over the revised revenue forecast of April, 2003.

In all, a total of $1.5 billion in taxes ($800 million alone from the sales tax increase) was raised, and over $1 billion of that was earmarked for property tax relief. The state's increase in the homestead exemption could not totally offset the tax implications of a court order mandating that property assessments be based on market value. In response, lawmakers reduced schools' reliance on local property taxes. With the restructuring, 67 percent of the property taxes levied for a school general fund will be paid through a state property tax replacement credit. This will result in the state being responsible for 85% of the funding of the school general fund.

Even with the tax restructuring, a series of spending reductions, transfers, and reallocations of other revenues were used to offset the reduced revenues in the General Fund. The following summarizes the differences between the original and final budget amounts for fiscal year 2003:

- Agencies controlled spending to create budgetary savings of $323.4 million.
- Delays in payments of local school aid and higher education created a savings of $20.0 million.
- Transfers of certain restricted funds were made to the General Fund in the amount of $123.0 million.
- The Lottery and Gaming Surplus Account in the Build Indiana Fund transferred $175.0 million to the Property Tax Replacement Fund.
- The Federal Jobs & Growth Tax Relief Reconciliation Act of 2003 provided $103.4 million of General Fund revenues.

Spending during state fiscal year 2004 will be carefully monitored and other measures will be used, if necessary, to maintain an acceptable General Fund balance.

Capital Asset and Debt Administration

Capital Assets

Capital assets were $10.7 billion, which was 48.7% of total assets for the primary government. Related debt was $1.0 billion. Total capital assets net of related debt for the primary government was $9.7 billion. The ratio of capital assets to related debt was 1,087%.

The following table shows the percentage change from fiscal year 2002 to fiscal year 2003.

State of Indiana
Capital Assets
(in millions of dollars)

	Governmental Activities		Business-type Activities		Total Primary Government		Total % Change
	2003	2002	2003	2002	2003	2002	
Land	$ 1,111.7	$ 1,058.8	$ 28.2	$ 30.7	$ 1,139.9	$ 1,089.5	4.6%
Infrastructure	7,480.9	7,473.1	180.3	180.4	7,661.2	7,653.5	0.1%
Construction in Progress	303.1	192.7	6.6	0.5	309.7	193.2	60.3%
Property, plant and equipment	2,435.2	2,292.7	124.1	117.7	2,559.3	2,410.4	6.2%
Less accumulated depreciation	(901.3)	(836.3)	(83.5)	(80.2)	(984.8)	(916.5)	7.5%
Total	**$ 10,429.6**	**$ 10,181.0**	**$ 255.7**	**$ 249.1**	**$ 10,685.3**	**$ 10,430.1**	**2.4%**

Overall capital assets increased by 2.4% from 2002 to 2003. Construction in Progress increased by 60.3% due to increased spending. Property, plant, and equipment increased 6.18%, or $148.9 million. $100.0 million of the increase is due to a prior period adjustment. More detailed information about the State's capital assets is presented in Note IV(D) to the financial statements.

Long-term Obligations

Major long-term obligations items are included in the following table. These major items comprised 100% of total long-term liabilities and 44.4% of total liabilities.

The following table shows the percentage change from fiscal year 2002 to fiscal year 2003.

State of Indiana
Long-term Liabilities
(in millions of dollars)

	Governmental Activities		Business-type Activities		Total Primary Government		Total % Change
	2003	2002	2003	2002	2003	2002	
Accrued liability for compensated absences	$ 48.0	$ 52.0	$ 0.1	$ 0.1	$ 48.1	$ 52.1	-7.7%
Accrued prize liability	-	-	58.1	51.2	58.1	51.2	13.5%
Capital lease payable	18.5	19.2	-	-	18.5	19.2	-3.6%
Claims payable	-	-	18.5	11.7	18.5	11.7	0.0%
Construction retention	1.2	4.9	-	-	1.2	4.9	-75.5%
Salaries, health, disability, and benefits payable	4.4	-	-	-	4.4	-	N/A
Net pension obligations	1.1	0.7	-	-	1.1	0.7	57.1%
Due to component units	-	-	1,057.3	1,008.8	1,057.3	1,008.8	4.8%
Revenue bonds/notes payable	1,690.4	1,765.3	410.8	217.9	2,101.2	1,983.2	5.9%
Total	**$ 1,763.6**	**$ 1,842.1**	**$ 1,544.8**	**$ 1,289.7**	**$ 3,308.4**	**$ 3,131.8**	**5.6%**

Accrued liability for compensated absences is an estimate of the State's liability for vacation and personal leave time not taken by State employees and accrued at June 30, 2003. This total liability decreased by 7.7% from FY 2002 to FY 2003. This was offset, however, by the $4.4 million long-term accrual in salaries, health, and disability benefits payable, for the State Incentive Retirement Plan (SIRP). Another $4.4 million was accrued as a current liability for SIRP payments made in July, 2003.

The amount due to component units is money due to the Indiana Bond Bank from the State Revolving Fund. The Indiana Bond Bank is a separate body corporate and politic from the State and is reported as a discretely presented component unit. The State Revolving Fund is administered by the State Budget Agency and the Indiana Department of Environmental Management, which are agencies of the State. Proceeds from State revolving bonds issued by the Indiana Bond Bank are used by the State Revolving Fund to assist qualified entities in obtaining below market financing for water pollution control projects.

The repayment of these loans is used by the State Revolving Fund to repay the Indiana Bond Bank, which makes the bond payments. The 4.8% increase is attributable to $141.8 million Series 2002A & 2002B bonds issued by the Indiana Bond Bank on behalf of the State Revolving Fund.

Of the $2.1 billion in revenue bonds/notes payable, $1.2 billion were issued by the Indiana Transportation Finance Authority, $853 million by the Indiana State Office Building Commission, and $26 million by the Recreational Development Commission. Revenue bonds/notes payable increased 5.9% over FY 2002, primarily due to the issuance of $150.1 million in Highway Bond Anticipation Notes by the Indiana Transportation Finance Authority in June, 2003.

More detail about the State's debt is presented in note IV(F) of the notes to the financial statements.

Infrastructure

As required by GASB Statement No. 34, the State has capitalized its infrastructure. This amounts to $7.5 billion in roads and bridges using the modified approach, $904 million in right of way classified as land, and $14 million in dams being depreciated. In order to utilize the modified approach, the State is required to:

- Maintain an asset management system that

includes an up-to-date inventory of eligible infrastructure assets.
- Perform condition assessments of eligible assets and summarize the results using a measurement scale.
- Estimate each year the annual amount to maintain and preserve the assets at the condition level established and disclosed by the State.
- Document that the assets are being preserved approximately at or above the established condition level.

Under the modified approach, the State expenses certain maintenance and preservation costs and does not report depreciation expense. Assets accounted for under the modified approach include approximately 23,000 lane miles of roads and approximately 5,100 bridges that the State is responsible to maintain.

The State has consistently maintained the assessed conditions of roads over the past two years. It is the State's policy to maintain Interstate and National Highway System (NHS) Non-Interstate roads at an average Pavement Quality Index (PQI) of 75 and Non-NHS roads at an average PQI of 65. The most recent condition assessment, completed for fiscal year 2003, indicated that the average PQI for roads exceeded the minimum acceptable standard.

The State has maintained the assessed conditions of bridges at levels which are above the established benchmarks. It is the State's policy to maintain Interstate bridges at an average sufficiency rating of 87%, NHS Non-Interstate bridges at an average sufficiency rating of 85%, and Non-NHS bridges at an average sufficiency rating of 83%. The most recent condition assessment, completed in August 2002, indicated that the average sufficiency rating for bridges exceeded the minimum acceptable standard.

Although the actual maintenance and preservation costs for NHS Non-Interstate roads and Interstate and NHS Non-Interstate bridges were lower than planned, this has not caused the condition level to fall below the State's policy.

Economic Factors

The economic forecast, upon which the state budget for fiscal years 2004 and 2005 was based, was updated in April 2003. At that time, real Gross Domestic Product (GDP) was projected to increase by 1.3% in the first quarter of calendar year (CY) 2003. Real GDP growth was projected to increase through the remainder of 2003 before stabilizing at 3.4%. On a state fiscal year basis, real GDP was projected to increase by 2.8% in FY 2004 and increase by 3.4% in FY 2005.

Growth was slightly stronger than expected in the first quarter of CY 2003, and as the effects of the federal economic stimulus package began to materialize, growth was significantly stronger than expected in the second and third quarters of CY 2003. Through the first three quarters of CY 2003, real GDP exceeded expectations and increased by 2.7% compared to the April forecast of 2.1%.

The April 2003 forecast projected the Indiana non-farm personal income growth to gradually increase through the fourth quarter of CY 2002 and the first quarter of CY 2003 before rapidly increasing in the second quarter of CY 2003. Through the remainder of CY 2003, CY 2004, and CY 2005, Indiana non-farm personal income was expected to continually grow, reaching 5.2% growth in the first quarter of CY 2005. On an annual basis, Indiana non-farm personal income growth was projected to increase by 4.6% in CY 2004 and by 5.0% in the first half of CY 2005.

Indiana non-farm personal income exceeded expectations in the fourth quarter of CY 2002 and was weaker than expected in the first and second quarters of CY 2003. Through the first half of CY 2003, Indiana non-farm personal income growth did not meet expectations and increased by 3.1% compared to the April forecast of 3.6%.

The April forecast projected baseline growth in General Fund and Property Tax Replacement Fund revenues of 3.1% in FY 2004 and 4.5% in FY 2005.

Contacting the Auditor of State

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the State's finances and to demonstrate the State's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Auditor of State, 240 State House, 200 West Washington Street, Indianapolis, Indiana 46204-2793.

BASIC FINANCIAL STATEMENTS



GOVERNMENT-WIDE

FINANCIAL STATEMENTS

State of Indiana
Statement of Net Assets
June 30, 2003
(amounts expressed in thousands)

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
Assets:				
Current assets:				
Cash, cash equivalents and investments	$ 3,382,643	$ 1,354,357	**$ 4,737,000**	$ 1,397,852
Securities lending collateral	1,900,882	-	**1,900,882**	500,714
Receivables (net)	1,385,087	102,069	**1,487,156**	287,879
Inventory	5,971	3,192	**9,163**	30,293
Internal balances	300	(300)	**-**	-
Prepaid expenses	8,415	2,077	**10,492**	9,315
Loans	64,258	35,290	**99,548**	1,356,193
Due from primary government	-	-	**-**	117,717
Investment in direct financing lease	-	9,230	**9,230**	-
Funds held in trust by others	-	-	**-**	41,073
Other current assets	-	-	**-**	21,781
Total current assets	6,747,556	1,505,915	**8,253,471**	3,762,817
Noncurrent assets:				
Cash, cash equivalents and investments - restricted	158,992	829,433	**988,425**	1,419,564
Taxes, interest, and penalties receivable	448,106	-	**448,106**	4,998
Other receivables	36,535	-	**36,535**	1,238,432
Investments - unrestricted	-	-	**-**	686,880
Loans	388,770	752,362	**1,141,132**	661,568
Bond issuance costs net of amortization	11,339	1,574	**12,913**	30,972
Due from primary government	-	-	**-**	1,057,264
Investment in direct financing lease	-	202,925	**202,925**	-
Net pension assets	170,803	-	**170,803**	-
Other noncurrent assets	39	10,183	**10,222**	32,020
Capital assets, net of accumulated depreciation	10,429,612	255,669	**10,685,281**	3,663,450
Total noncurrent assets	11,644,196	2,052,146	**13,696,342**	8,795,148
Total assets	**18,391,752**	**3,558,061**	**21,949,813**	**12,557,965**
Liabilities:				
Current liabilities:				
Accounts payable	285,672	30,982	**316,654**	147,924
Claims payable	-	1,826	**1,826**	-
Interest payable	43,841	35,123	**78,964**	53,471
Current portion of long-term debt	52,775	21,701	**74,476**	1,612,214
Intergovernmental payable	1,315,085	-	**1,315,085**	-
Due to component unit	96,347	21,370	**117,717**	-
Capital lease payable	59	-	**59**	6,130
Accrued prize liability	-	44,095	**44,095**	-
Salaries, health, disability, and benefits payable	120,212	2,738	**122,950**	80,804
Tax refunds payable	61,894	-	**61,894**	-
Deferred revenue	20,765	7,158	**27,923**	166,651
Accrued liability for compensated absences	71,699	145	**71,844**	57,806
Securities lending payable	3,611	-	**3,611**	-
Securities lending collateral	1,900,882	-	**1,900,882**	500,714
Deposits held in custody for others	-	-	**-**	55,473
Other current liabilities	-	2,669	**2,669**	38,620
Total current liabilities	3,972,842	167,807	**4,140,649**	2,719,807

State of Indiana
Statement of Net Assets
June 30, 2003
(amounts expressed in thousands)

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
Long-term liabilities:				
Accrued liability for compensated absences	$ 48,031	$ 133	**$ 48,164**	$ 24,904
Claims payable	-	18,540	**18,540**	-
Construction retention	1,235	-	**1,235**	-
Salaries, health, disability, and benefits payable	4,360	-	**4,360**	-
Accrued prize liability	-	58,120	**58,120**	-
Net pension obligations	1,149	-	**1,149**	-
Due to component unit	-	1,057,264	**1,057,264**	-
Capital lease payable	18,457	-	**18,457**	98,429
Funds held in trust for others	-	-	**-**	43,366
Advances from federal government	295	-	**295**	25,087
Revenue bonds/notes payable	1,690,048	409,283	**2,099,331**	4,239,025
Other noncurrent liabilities	-	1,411	**1,411**	10,779
Total long-term liabilities	1,763,575	1,544,751	**3,308,326**	4,441,590
Total liabilities	**5,736,417**	**1,712,558**	**7,448,975**	**7,161,397**
Net Assets:				
Invested in capital assets net of related debt	9,664,938	36,931	**9,701,869**	2,311,016
Restricted-nonexpendable:				
Grants/constitutional restrictions	508,934	-	**508,934**	-
Permanent funds	4,708	-	**4,708**	-
Instruction and research	-	-	**-**	82,580
Student aid	-	-	**-**	84,721
Other purposes	-	-	**-**	46,832
Total restricted-nonexpendable	513,642	-	**513,642**	214,133
Restricted-expendable:				
Instruction and research	-	-	**-**	161,621
Grants/constitutional restrictions	-	-	**-**	3,005
Future debt service	13,803	94,240	**108,043**	147,592
Pension fund distribution		-	**-**	6,888
Public safety programs	6,631	-	**6,631**	-
Transportation programs	-	9,405	**9,405**	-
Student aid	-	-	**-**	72,995
Auxiliary enterprises	-	-	**-**	2,713
Capital projects	-	140,633	**-**	209,010
Unemployment compensation	-	973,606	**973,606**	-
Other purposes	-	326	**326**	401,318
Total restricted-expendable	20,434	1,218,210	**1,238,644**	1,005,142
Unrestricted	2,456,321	590,362	**3,046,683**	1,866,277
Total net assets	**$ 12,655,335**	**$ 1,845,503**	**$ 14,500,838**	**$ 5,396,568**

The notes to the financial statements are an integral part of this statement.

State of Indiana
Statement of Activities
For the Year Ended June 30, 2003
(amounts expressed in thousands)

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Component Units
Primary government:								
Governmental activities:								
General government	$ 3,049,696	$ 303,777	$ 243,579	$ -	$ (2,502,340)	$ -	$ (2,502,340)	$ -
Public safety	1,198,585	572,584	185,922	14,222	(425,857)	-	(425,857)	-
Health	323,621	8,148	174,107	1,355	(140,011)	-	(140,011)	-
Welfare	6,534,702	232,147	4,370,990	-	(1,931,565)	-	(1,931,565)	-
Conservation, culture and development	480,843	85,524	202,324	-	(192,995)	-	(192,995)	-
Education	6,243,705	6,649	601,035	-	(5,636,021)	-	(5,636,021)	-
Transportation	1,278,902	1,589	899,280	-	(378,033)	-	(378,033)	-
Unallocated interest expense	80,887	-	-	-	(80,887)	-	(80,887)	-
Total governmental activities	19,190,941	1,210,418	6,677,237	15,577	(11,287,709)	-	(11,287,709)	-
Business-type activities								
Toll Roads	90,766	89,017	-	-	-	(1,749)	(1,749)	-
Aviation Technology Bonds	723	713	-	-	-	(10)	(10)	-
Airport Facilities Revenue Bonds	12,035	11,612	-	-	-	(423)	(423)	-
State Revolving Fund	62,642	61,609	-	17,807	-	16,774	16,774	-
Unemployment Compensation Fund	887,501	-	170,480	-	-	(717,021)	(717,021)	-
State Lottery Commission	552,192	664,417	-	-	-	112,225	112,225	-
Other	29,687	25,686	-	-	-	(4,001)	(4,001)	-
Total business-type activities	1,635,546	853,054	170,480	17,807	-	(594,205)	(594,205)	-
Total primary government	$ 20,826,487	$ 2,063,472	$ 6,847,717	$ 33,384	(11,287,709)	(594,205)	(11,881,914)	-
Component units:								
Governmental and proprietary	347,366	104,466	259,920	-	-	-	-	17,020
Colleges and universities	4,010,407	1,916,262	821,418	79,680	-	-	-	(1,193,047)
Total component units	$ 4,357,773	$ 2,020,728	$ 1,081,338	$ 79,680	-	-	-	(1,176,027)
General Revenues:								
Income tax					4,428,304	-	4,428,304	-
Sales tax					4,210,526	-	4,210,526	-
Fuels tax					779,087	-	779,087	-
Gaming tax					673,072	-	673,072	-
Unemployment tax					-	332,281	332,281	-
Inheritance tax					175,873	-	175,873	-
Alcohol & Tobacco tax					374,308	-	374,308	-
Insurance tax					181,186	-	181,186	-
Financial Institutions tax					106,000	-	106,000	-
Other tax					170,306	-	170,306	-
Total taxes					11,098,662	332,281	11,430,943	-
Revenue not restricted to specific programs								
Investment earnings					60,344	75,530	135,874	113,202
Payments from State of Indiana					-	-	-	1,286,078
Other					111,955	1,097	113,052	126,986
Transfers within primary government					105,797	(105,797)	-	-
Total general revenues and transfers					11,376,758	303,111	11,679,869	1,526,266
Changes in net assets					89,049	(291,094)	(202,045)	350,239
Net assets - beginning, as restated					12,566,286	2,136,597	14,702,883	5,046,329
Net assets - ending					$ 12,655,335	$ 1,845,503	$ 14,500,838	$ 5,396,568

The notes to the financial statements are an integral part of this statement.

FUND FINANCIAL STATEMENTS

State of Indiana
Balance Sheet
Governmental Funds
June 30, 2003
(amounts expressed in thousands)

	General Fund	Motor Vehicle Highway Fund	Medicaid Assistance	Build Indiana Fund
Assets:				
Cash, cash equivalents and investments-unrestricted	$ 1,168,451	$ -	$ 42,555	$ 16,896
Securities lending collateral	1,375,686	-	-	-
Receivables:				
Taxes (net of allowance for uncollectible accounts)	1,024,911	21,976	-	-
Securities lending	2,530	-	-	-
Accounts	11,878	-	-	-
Grants	2,173	1,783	15,507	-
Interest	12,619	-	-	-
Interfund loans	17,031	-	-	-
Prepaid expenditures	861	2,237	-	-
Loans	37,295	-	-	3,713
Total assets	$ 3,653,435	$ 25,996	$ 58,062	$ 20,609
Liabilities:				
Accounts payable	$ 68,326	$ 1,364	$ 51	$ 1,571
Salaries and benefits payable	48,910	7,363	-	-
Interfund loans	120	5,263	-	-
Interfund services used	2,847	3,695	-	-
Intergovernmental payable	324,884	26,606	-	-
Due to component unit	96,347	-	-	-
Tax refunds payable	56,301	32	-	-
Deferred revenue	416,778	5,089	-	-
Accrued liability for compensated absences-current	3,036	109	-	-
Securities lending payable	2,530	-	-	-
Securities lending collateral	1,375,686	-	-	-
Total liabilities	2,395,765	49,521	51	1,571
Fund balance:				
Reserved:				
Encumbrances	25,353	10,369	-	1,381
Special purposes	2,173	1,783	15,507	-
Tuition support	305,000	-	-	-
Interfund loans	17,031	-	-	-
Long-term loans and advances	37,060	-	-	3,612
Restricted purposes	-	-	-	-
Unreserved fund balance reported in:				
General fund	871,053	-	-	-
Special revenue funds	-	(35,677)	42,504	14,045
Capital projects funds	-	-	-	-
Permanent funds	-	-	-	-
Total fund balance	1,257,670	(23,525)	58,011	19,038
Total liabilities and fund balance	$ 3,653,435	$ 25,996	$ 58,062	$ 20,609

The notes to the financial statements are an integral part of this statement.

State Highway Department	Property Tax Replacement Fund	Tobacco Settlement Fund	Non-major Governmental Funds	Total
$ 226,181	$ -	$ 275,777	$ 1,512,328	**$ 3,242,188**
3,060	-	60,709	461,427	**1,900,882**
-	257,504	-	252,948	**1,557,339**
6	-	136	938	**3,610**
1,641	-	-	16,479	**29,998**
97,110	-	-	29,427	**146,000**
2	-	-	491	**13,112**
19,716	-	-	1,014	**37,761**
-	-	-	2,296	**5,394**
8,215	-	-	403,804	**453,027**
$ 355,931	$ 257,504	$ 336,622	$ 2,681,152	**$ 7,389,311**
$ 10,373	$ -	$ 1,154	$ 143,773	**$ 226,612**
9,416	-	68	27,247	**93,004**
-	-	-	10,089	**15,472**
190	-	-	2,202	**8,934**
-	874,013	-	89,582	**1,315,085**
-	-	-	-	**96,347**
-	-	-	5,561	**61,894**
1,641	65,613	-	185,338	**674,459**
630	-	2	2,023	**5,800**
6	-	136	938	**3,610**
3,060	-	60,709	461,427	**1,900,882**
25,316	939,626	62,069	928,180	**4,402,099**
937,803	-	221	131,710	**1,106,837**
97,110	-	-	20,136	**136,709**
-	-	-	-	**305,000**
19,716	-	-	1,014	**37,761**
8,215	-	-	289,914	**338,801**
-	-	-	2,936	**2,936**
-	-	-	-	**871,053**
(732,229)	(682,122)	274,332	978,491	**(140,656)**
-	-	-	78,304	**78,304**
-	-	-	250,467	**250,467**
330,615	(682,122)	274,553	1,752,972	**2,987,212**
$ 355,931	$ 257,504	$ 336,622	$ 2,681,152	**$ 7,389,311**

State of Indiana
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets
June 30, 2003
(amounts expressed in thousands)

Total fund balances-governmental funds			$ 2,987,212
Amounts reported for governmental activities in the statement of net assets are different because:			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:			
Land	$ 1,061,125		
Infrastructure assets	7,480,892		
Construction in progress	266,857		
Property, plant, and equipment	1,497,365		
Accumulated depreciation	(718,519)		
Total capital assets			9,587,720
The State's pension funds have net pension assets not reported as assets in the funds.			170,803
Recreational Development Commission startup is a noncurrent asset not reported in the funds			500
Some of the state's revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds.			742,001
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the funds.			(61,354)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.			170,666
Elimination of internal balance relating to investment in direct financing lease between internal service funds and governmental funds.			(810,701)
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:			
Accrued liability for compensated absences	(111,958)		
Capital lease payable	(18,405)		
Net pension obligations	(1,149)		
Total long-term liabilities			(131,512)
Net assets of governmental activities			$ 12,655,335

The notes to the financial statements are an integral part of this statement.


SEAL OF THE STATE OF INDIANA
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State of Indiana
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2003
(amounts expressed in thousands)

	General Fund	Motor Vehicle Highway Fund	Medicaid Assistance	Build Indiana Fund
Revenues:				
Taxes:				
Income	$ 4,148,793	$ -	$ -	$ -
Sales	2,161,831	-	-	-
Fuels	-	463,492	-	-
Gaming	84,308	-	-	-
Inheritance	175,873	-	-	-
Alcohol and tobacco	315,966	-	-	-
Insurance	178,479	-	-	-
Financial Institutions	-	-	-	-
Other	82,110	-	-	-
Total taxes	7,147,360	463,492	-	-
Current service charges	205,317	12,489	-	-
Investment income	57,274	-	-	1,415
Sales/rents	2,645	15	-	-
Grants	117,575	14,956	2,610,669	-
Other	109,696	58,145	-	3,007
Total revenues	7,639,867	549,097	2,610,669	4,422
Expenditures:				
Current:				
General government	913,660	290,061	-	46,182
Public safety	599,430	191,465	-	1
Health	93,131	-	-	-
Welfare	375,536	-	4,067,767	-
Conservation, culture and development	62,328	9	-	3,140
Education	5,473,045	260	-	87
Transportation	5,096	3,234	-	3,655
Total expenditures	7,522,226	485,029	4,067,767	53,065
Excess (deficiency) of revenues over expenditures	117,641	64,068	(1,457,098)	(48,643)
Other financing sources (uses):				
Transfers in	3,043,982	246,447	1,519,347	381,960
Transfers (out)	(2,982,995)	(315,010)	(29,371)	(411,212)
Total other financing sources (uses)	60,987	(68,563)	1,489,976	(29,252)
Net change in fund balances	178,628	(4,495)	32,878	(77,895)
Fund Balance July 1, as restated	1,079,042	(19,030)	25,133	96,933
Fund Balance June 30	**$ 1,257,670**	**$ (23,525)**	**$ 58,011**	**$ 19,038**

The notes to the financial statements are an integral part of this statement.

State Highway Department	Property Tax Replacement Fund	Tobacco Settlement Fund	Non-Major Governmental Funds	Total
$ -	$ 73,486	$ -	$ 125,777	**$ 4,348,056**
42	1,946,909	-	87,153	**4,195,935**
53	-	-	310,184	**773,729**
-	-	-	588,764	**673,072**
-	-	-	-	**175,873**
-	-	-	58,241	**374,207**
-	-	-	2,707	**181,186**
-	-	-	106,963	**106,963**
-	-	-	95,782	**177,892**
95	2,020,395	-	1,375,571	**11,006,913**
12,068	-	147,988	810,492	**1,188,354**
118	-	1,117	17,106	**77,030**
589	-	-	24,410	**27,659**
705,968	-	-	2,813,289	**6,262,457**
121,694	-	32	209,881	**502,455**
840,532	2,020,395	149,137	5,250,749	**19,064,868**
58	1,391,257	7,482	466,007	**3,114,707**
-	-	-	389,813	**1,180,709**
-	-	44,837	183,157	**321,125**
-	-	846	2,082,919	**6,527,068**
-	-	-	397,430	**462,907**
-	-	-	771,187	**6,244,579**
1,196,481	-	-	172,798	**1,381,264**
1,196,539	1,391,257	53,165	4,463,311	**19,232,359**
(356,007)	629,138	95,972	787,438	**(167,491)**
456,397	945,341	73,569	1,690,756	**8,357,799**
(8,607)	(1,822,671)	(170,986)	(2,482,511)	**(8,223,363)**
447,790	(877,330)	(97,417)	(791,755)	**134,436**
91,783	(248,192)	(1,445)	(4,317)	**(33,055)**
238,832	(433,930)	275,998	1,757,289	**3,020,267**
$ 330,615	**$ (682,122)**	**$ 274,553**	**$ 1,752,972**	**$ 2,987,212**

State of Indiana
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2003
(amounts expressed in thousands)

Net change in fund balances-total governmental funds	$	(33,055)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report net capital outlays for infrastructure as expenditures. However in the statement of activities these outlays are capitalized and under the modified approach not depreciated. This is the amount of the net capital outlays for infrastructure under the modified approach in the current period		175,491
Governmental funds report net capital outlays as expenditures. However in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation ($46,801) exceeds net capital outlays ($5,520) in the current period.		(52,321)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		106,542
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		(100,678)
Internal service funds are used by management to charge the costs of certain activities, such as insurance, data processing, telecommunications, fleet management, and printing, to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities.		(6,930)
Change in net assets of governmental activities.	$	89,049

The notes to the financial statements are an integral part of this statement.


SEAL OF THE STATE OF INDIANA
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State of Indiana
Statement of Fund Net Assets
Proprietary Funds
June 30, 2003
(amounts expressed in thousands)

	Enterprise Funds			
	Toll Roads	Transportation Finance Authority Aviation Technology Bonds	Transportation Finance Authority Airport Facilities Bonds	State Revolving Fund
Assets				
Current assets:				
Cash, cash equivalents and investments - unrestricted	$ 103,254	$ 373	$ 1,311	$ 191,883
Receivables:				
Accounts	3,790	141	1,890	17,857
Taxes	-	-	-	-
Interest	-	-	1	24,706
Interfund services provided	-	-	-	-
Interfund loans	-	-	-	-
Loans	-	-	-	35,290
Investment in direct financing lease	-	265	8,965	-
Inventory	2,044	-	-	-
Prepaid expenses	1,150	-	-	-
Total current assets	110,238	779	12,167	269,736
Noncurrent assets:				
Cash, cash equivalents and investments - restricted	91,547	-	-	668,601
Interest receivable - restricted	-	-	-	-
Loans	-	-	-	752,362
Investment in direct financing lease	-	9,830	193,095	-
Bond issuance costs - net of amortization	1,574	-	-	-
Property, plant and equipment net of accumulated depreciation	241,832	-	-	-
Other assets	-	-	-	10,183
Total noncurrent assets	334,953	9,830	193,095	1,431,146
Total assets	**445,191**	**10,609**	**205,262**	**1,700,882**
Liabilities				
Current liabilities:				
Accounts payable	6,624	6	14	358
Claims payable	-	-	-	-
Salaries and benefits payable	2,434	-	-	-
Interest payable	4,602	141	1,890	28,490
Capital lease payable	-	-	-	-
Current portion of long-term debt	12,380	265	8,965	-
Accrued prize liability	-	-	-	-
Health/disability benefits payable	-	-	-	-
Accrued liability for compensated absences	-	-	-	-
Due to component unit	-	-	-	21,370
Interfund loans	-	-	-	-
Deferred revenue	-	-	-	-
Other liabilities	-	-	-	341
Total current liabilities	26,040	412	10,869	50,559
Noncurrent liabilities:				
Construction retention	-	-	-	-
Accrued liability for compensated absences	-	-	-	-
Capital lease payable	-	-	-	-
Claim payable	-	-	-	-
Due to component unit	-	-	-	1,057,264
Interfund loans	-	-	-	-
Accrued prize liability	-	-	-	-
Amount due federal government	-	-	-	-
Revenue bonds/notes payable	206,358	9,830	193,095	-
Other liabilities	-	-	-	1,411
Total noncurrent liabilites	206,358	9,830	193,095	1,058,675
Total liabilities	**232,398**	**10,242**	**203,964**	**1,109,234**
Net assets				
Invested in capital assets net of related debt	23,094	-	-	-
Restricted-expendable:				
Transportation programs	9,405	-	-	-
Future debt service	44,457	-	-	-
Construction	140,633	-	-	-
Unemployment compensation	-	-	-	-
Other purposes	-	326	-	-
Unrestricted	(4,796)	41	1,298	591,648
Total net assets	**$ 212,793**	**$ 367**	**$ 1,298**	**$ 591,648**

The notes to the financial statements are an integral part of this statement.

Enterprise Funds					
Unemployment Compensation Fund	State Lottery Commission	Other Enterprise Funds	Total	Internal Service Funds
$ 968,375	$ 56,193	$ 32,968	**$ 1,354,357**	$ 140,451
-	30,407	112	**54,197**	36,563
22,734	-	-	**22,734**	-
-	102	329	**25,138**	60
-	-	-	**-**	8,934
-	-	-	**-**	420
-	-	-	**35,290**	-
-	-	-	**9,230**	149,690
-	641	507	**3,192**	5,971
-	877	50	**2,077**	3,021
991,109	88,220	33,966	**1,506,215**	345,110
-	69,285	-	**829,433**	158,992
-	-	-	**-**	138
-	-	-	**752,362**	-
-	-	-	**202,925**	661,011
-	-	-	**1,574**	11,339
-	4,695	9,142	**255,669**	841,892
-	-	-	**10,183**	39
-	73,980	9,142	**2,052,146**	1,673,411
991,109	**162,200**	**43,108**	**3,558,361**	**2,018,521**
17,503	6,101	376	**30,982**	6,428
-	-	1,826	**1,826**	-
-	-	304	**2,738**	1,287
-	-	-	**35,123**	43,841
-	-	-	**-**	59
-	-	91	**21,701**	52,775
-	44,095	-	**44,095**	-
-	-	-	**-**	21,558
-	-	145	**145**	1,142
-	-	-	**21,370**	-
-	-	300	**300**	22,409
-	1,175	5,983	**7,158**	5,396
-	1,598	730	**2,669**	-
17,503	52,969	9,755	**168,107**	154,895
-	-	-	**-**	1,235
-	-	133	**133**	830
-	-	-	**-**	52
-	-	18,540	**18,540**	-
-	-	-	**1,057,264**	-
-	-	-	**-**	500
-	58,120	-	**58,120**	-
-	-	-	**-**	295
-	-	-	**409,283**	1,690,048
-	-	-	**1,411**	-
-	58,120	18,673	**1,544,751**	1,692,960
17,503	**111,089**	**28,428**	**1,712,858**	**1,847,855**
-	4,695	9,142	**36,931**	77,217
-	-	-	**9,405**	**-**
-	49,783	-	**94,240**	13,803
-	-	-	**140,633**	**-**
973,606	-	-	**973,606**	**-**
-	-	-	**326**	193
-	(3,367)	5,538	**590,362**	79,453
$ 973,606	**$ 51,111**	**$ 14,680**	**$ 1,845,503**	**$ 170,666**

State of Indiana
Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Fiscal Year Ended June 30, 2003

(amounts expressed in thousands)

	Enterprise Funds			
	Toll Roads	Transportation Finance Authority Aviation Technology Bonds	Transportation Finance Authority Airport Facilities Bonds	State Revolving Fund
Operating revenues:				
Sales/rents/premiums	$ 6,486	$ 713	$ 11,612	$ -
Taxes	-	-	-	-
Grants	-	-	-	17,807
Interest income	-	-	-	61,609
Charges for services	-	-	-	-
Toll receipts	82,053	-	-	-
Other	478	-	-	1,097
Total operating revenues	89,017	713	11,612	80,513
Cost of sales	-	-	-	-
Gross margin	89,017	713	11,612	80,513
Operating expenses:				
General and administrative expense	69,868	156	415	2,236
Interest expense	-	-	-	59,545
Claims expense	-	-	-	-
Health / disability benefit payments	-	-	-	-
Unemployment compensation benefits	-	-	-	-
Depreciation and amortization	3,099	-	-	861
Other	178	1	-	-
Total operating expenses	73,145	157	415	62,642
Operating income (loss)	15,872	556	11,197	17,871
Nonoperating revenues (expenses):				
Interest and other investment income	2,615	3	53	-
Interest and other investment expense	(16,071)	(566)	(11,620)	-
Distributions to component units	-	-	-	-
Gain (Loss) on disposition of assets	37	-	-	-
Other	(1,587)	-	-	-
Total nonoperating revenues (expenses)	(15,006)	(563)	(11,567)	-
Income before contributions and transfers	866	(7)	(370)	17,871
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Change in net assets	866	(7)	(370)	17,871
Total net assets, July 1, as restated	**211,927**	374	1,668	573,777
Total net assets, June 30	**$ 212,793**	**$ 367**	**$ 1,298**	**$ 591,648**

The notes to the financial statements are an integral part of this statement.

Enterprise Funds				
Unemployment Compensation Fund	State Lottery Commission	Other Enterprise Funds	Total	Internal Service Funds
$ -	$ 664,417	$ 24,819	**$ 708,047**	$ 383,996
332,281	-	-	**332,281**	-
170,480	-	-	**188,287**	-
-	-	-	**61,609**	-
-	-	-	**-**	1,416
-	-	786	**82,839**	-
-	-	81	**1,656**	250
502,761	664,417	25,686	**1,374,719**	385,662
-	472,870	3,073	**475,943**	22,615
502,761	191,547	22,613	**898,776**	363,047
-	15,688	17,297	**105,660**	81,753
-	-	-	**59,545**	-
-	-	8,875	**8,875**	-
-	-	-	**-**	154,060
887,501	-	-	**887,501**	-
-	1,479	372	**5,811**	27,197
-	-	32	**211**	359
887,501	17,167	26,576	**1,067,603**	263,369
(384,740)	174,380	(3,963)	**(168,827)**	99,678
68,078	3,377	1,404	**75,530**	2,778
-	(4,856)	-	**(33,113)**	(80,887)
-	(60,000)	-	**(60,000)**	-
-	-	(38)	**(1)**	(211)
-	2,701	-	**1,114**	351
68,078	(58,778)	1,366	**(16,470)**	(77,969)
(316,662)	115,602	(2,597)	**(185,297)**	21,709
1,901	-	1,029	**2,930**	9,292
-	(108,727)	-	**(108,727)**	(37,931)
(314,761)	6,875	(1,568)	**(291,094)**	(6,930)
1,288,367	44,236	16,248	**2,136,597**	177,596
$ 973,606	**$ 51,111**	**$ 14,680**	**$ 1,845,503**	$ 170,666

State of Indiana
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2003
(amounts expressed in thousands)

	Enterprise Funds			
	Toll Roads	Transportation Finance Authority Aviation Technology Bonds	Transportation Finance Authority Airport Facilities Bonds	State Revolving Fund
Cash flows from operating activities:				
Cash received from customers	$ 88,441	$ 713	$ 11,612	$ -
Cash received from federal government	-	-	-	-
Payments to ticket winners	-	-	-	-
Cash paid for general and administrative	-	(185)	(426)	(2,129)
Cash paid for salary/health/disability benefit payments	(19,987)	-	-	-
Cash paid to suppliers	(48,297)	-	-	-
Cash paid for claims expense	-	-	-	-
Other operating income	-	-	-	1,097
Net cash provided (used) by operating activities	20,157	528	11,186	(1,032)
Cash flows from noncapital financing activities:				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from debt issuance	-	-	-	141,765
Principal payments to reduce indebtedness	-	-	-	(91,015)
Payment of debt issue costs	-	-	-	(370)
Interest paid on bonds and note payable	-	-	-	(57,927)
Other	-	-	-	(565)
Net cash provided (used) by noncapital financing activities	-	-	-	(8,112)
Cash flows from capital and related financing activities:				
Acquisition/construction of capital assets	(6,454)	-	-	-
Proceeds from sale of assets	84	-	-	-
Proceeds from issuance of notes payable/bonds payable	-	-	-	-
Principal payments -- capital leases	-	-	8,090	-
Principal payments -- bonds/notes	(11,770)	-	(8,090)	-
Interfund loan	-	-	-	-
Capital contributions	-	-	-	-
Transportation grants paid	(1,587)	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Interest paid	(13,534)	(566)	(11,612)	-
Debt issue expense	-	(1)	-	-
Net cash provided (used) by capital and related financing activities	(33,261)	(567)	(11,612)	-
Cash flows from investing activities:				
Proceeds from sales of investments	-	-	-	176,971
Purchase of investments	(30,282)	-	-	(166,714)
Interest income (expense) on investments	2,615	4	47	58,995
Net cash provided (used) by investing activities	(27,667)	4	47	69,252
Net increase (decrease) in cash and cash equivalents	(40,771)	(35)	(379)	60,108
Cash and cash equivalents, July 1, as restated	170,767	408	1,690	131,775
Cash and cash equivalents, June 30	**$ 129,996**	**$ 373**	**$ 1,311**	**$ 191,883**
Reconciliation of cash , cash equivalents and investments:				
Cash and cash equivalents at end of year	$ 129,996	$ 373	$ 1,311	$ 191,883
Restricted cash and investments	-	-	-	668,601
Investments unrestricted	64,805	-	-	-
Cash, cash equivalents and investments per balance sheet	**$ 194,801**	**$ 373**	**$ 1,311**	**$ 860,484**
Noncash investing, capital and financing activities:				
Increase in fair value of investments	$ -	$ -	$ -	$ -

Enterprise Funds					
Unemployment Compensation Fund	State Lottery Commission	Other Enterprise Funds	Total	Internal Service Funds
$ 326,252	$ 652,563	$ 27,176	**$ 1,106,757**	$ 401,913
170,480	-	-	**170,480**	-
-	(389,235)	-	**(389,235)**	-
-	-	(16,840)	**(19,580)**	(78,234)
-	(12,738)	(416)	**(33,141)**	(149,244)
-	(82,754)	(3,085)	**(134,136)**	(20,970)
(883,687)	-	(1,973)	**(885,660)**	-
-	-	-	**1,097**	-
(386,955)	167,836	4,862	**(183,418)**	153,465
1,901	-	-	**1,901**	9,292
-	(168,727)	-	**(168,727)**	(37,931)
-	-	-	**141,765**	-
-	-	-	**(91,015)**	-
-	-	-	**(370)**	-
-	-	-	**(57,927)**	-
-	2,474	-	**1,909**	-
1,901	(166,253)	-	**(172,464)**	(28,639)
-	(4,753)	(538)	**(11,745)**	(197,192)
-	37	-	**121**	20,045
-	-	-	**-**	288,461
-	-	-	**8,090**	(60)
-	-	(131)	**(19,991)**	(138,503)
-	-	-	**-**	2,693
-	-	1,029	**1,029**	3,801
-	-	-	**(1,587)**	-
-	-	-	**-**	(10,881)
-	-	-	**(25,712)**	(77,367)
-	-	-	**(1)**	(1,710)
-	(4,716)	360	**(49,796)**	(110,713)
-	875	2,670	**180,516**	196,528
-	-	(8,953)	**(205,949)**	(208,614)
68,078	1,333	1,150	**132,222**	2,847
68,078	2,208	(5,133)	**106,789**	(9,239)
(316,976)	(925)	89	**(298,889)**	4,874
1,285,351	43,903	9,943	**1,643,837**	135,334
$ 968,375	**$ 42,978**	**$ 10,032**	**$ 1,344,948**	**$ 140,208**
$ 968,375	$ 42,978	$ 10,032	**$ 1,344,948**	$ 140,208
-	69,285	-	**737,886**	158,935
-	13,215	22,936	**100,956**	300
$ 968,375	**$ 125,478**	**$ 32,968**	**$ 2,183,790**	**$ 299,443**
$ -	$ -	$ 485	**$ 485**	$ -

State of Indiana
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2003

(amounts expressed in thousands)

	Enterprise Funds			
	Toll Roads	**Transportation Finance Authority Aviation Technology Bonds**	**Transportation Finance Authority Airport Facilities Bonds**	**State Revolving Fund**
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating income (loss)	$ 15,872	$ 556	$ 11,197	$ 17,871
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation/amortization expense	3,099	-	-	861
Other provisions	-	-	-	-
(Increase) decrease in receivables	543	-	-	(19,921)
(Increase) decrease in interfund services provided	-	-	-	-
(Increase) decrease in inventory	(181)	-	-	-
(Increase) decrease in prepaid expenses	(238)	-	-	-
Increase (decrease) in accrued prize liability	-	-	-	-
(Increase) decrease in claims payable	-	-	-	-
Increase (decrease) in benefits payable	-	-	-	-
Increase (decrease) in accounts payable	882	(28)	(11)	157
Increase (decrease) in deferred revenue	-	-	-	-
Increase (decrease) in salaries payable	180	-	-	-
Increase (decrease) in compensated absences	-	-	-	-
Increase (decrease) in interfund services used	-	-	-	-
Increase (decrease) in other payables	-	-	-	-
Net cash provided (used) by operating activities	**$ 20,157**	**$ 528**	**$ 11,186**	**$ (1,032)**

The notes to the financial statements are an integral part of this statement.

Enterprise Funds				
Unemployment Compensation Fund	State Lottery Commission	Other Enterprise Funds	Total	Internal Service Funds
$ (384,740)	$ 174,380	$ (3,963)	$ (168,827)	$ 99,678
-	1,479	372	5,811	27,197
-	324	-	324	-
(6,029)	(12,986)	41	(38,352)	15,746
-	-	-	-	(2,094)
-	(481)	(12)	(674)	3,323
-	(328)	21	(545)	2,089
-	7,004	-	7,004	-
-	-	6,903	6,903	-
-	-	-	-	4,816
3,814	(2,075)	(154)	2,585	2,591
-	807	1,450	2,257	(57)
-	-	2	182	187
-	-	9	9	178
-	-	-	-	(188)
-	(288)	193	(95)	(1)
$ (386,955)	**$ 167,836**	**$ 4,862**	**$ (183,418)**	**$ 153,465**

State of Indiana
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2003
(amounts expressed in thousands)

	Pension (and Other Employee Benefit) Trust Funds	Private-Purpose Trust Funds	Agency Funds
Assets:			
Cash, cash equivalents and investments	$ 17,936,300	$ 32,990	$ 536,036
Securities lending collateral	1,539,957	7,225	141,019
Receivables:			
Taxes	-	-	6,047
Contributions	158,977	-	-
Interest	34,056	16	136
Securities lending	-	7	172
Member loans	8,239	-	-
Due from other funds	6,837	-	-
Due from component unit	13,304	-	-
From investment sales	369,531	-	-
Other	-	-	50
Other assets	-	-	410,276
Property, plant and equipment net of accumulated depreciation	89	-	-
Total assets	**20,067,290**	**40,238**	**$ 1,093,736**
Liabilities:			
Accounts/escrows payable	262,799	2,216	896,779
Salaries and benefits payable	453	-	-
Due to other funds	6,837	-	-
Securities lending payable	-	7	172
Due to component unit	13,304	-	-
Compensated absences	504	-	-
Investment purchases payable	651,722	-	-
Securities lending collateral	1,539,957	7,225	141,019
Other	338	-	55,766
Total liabilities	**2,475,914**	**9,448**	**$ 1,093,736**
Net assets:			
Held in trust for:			
Employees' post-employment benefits	17,591,376	-	
Trust beneficiaries	-	30,790	
Total net assets	**$ 17,591,376**	**$ 30,790**	

The notes to the financial statements are an integral part of this statement.

State of Indiana
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Year Ended June 30, 2003

(amounts expressed in thousands)

	Pension (and Other Employee Benefit) Trust Funds	Private-Purpose Trust Funds
Additions:		
Member contributions	$ 332,067	$ 50,260
Employer contributions	939,786	-
Contributions from the State of Indiana	67,362	-
Net investment income (loss)	882,216	407
Less investment expense	(41,991)	-
Donations/escheats	-	76,526
Transfers in	5,621	-
Other	1,852	-
Total additions	2,186,913	127,193
Deductions:		
Pension benefits	1,000,737	-
Disability and other benefits	7,897	-
Payments to participants/beneficiaries	-	120,888
Refunds of contributions and interest	63,076	-
Administrative	14,748	886
Pension relief distributions	96,417	-
Capital projects	3,297	-
Depreciation	17	-
Transfers out	5,621	-
Other	4,813	-
Total deductions	1,196,623	121,774
Net increase (decrease) in net assets	990,290	5,419
Net assets held in trust, July 1, as restated	16,601,086	25,371
Net assets held in trust, June 30	**$ 17,591,376**	**$ 30,790**

The notes to the financial statements are an integral part of this statement.

State of Indiana
Combining Statement of Net Assets
Discretely Presented Component Units - Governmental and Proprietary Funds
June 30, 2003

(amounts expressed in thousands)

	Governmental	Proprietary			
	Indiana Development Finance Authority	Indiana Bond Bank	Indiana Housing Finance Authority	Non-Major Component Units	Total Component Units
Assets					
Current assets:					
Cash, cash equivalents and investments	$ 44,940	$ 73,051	$ 52,897	$ 257,174	**$ 428,062**
Securities lending collateral	-	-	-	302,911	**302,911**
Receivables (net)	402	41,183	371	7,926	**49,882**
Loans	6,257	1,349,936	-	-	**1,356,193**
Due from primary government	-	21,370	-	-	**21,370**
Other current assets	-	-	1,220	832	**2,052**
Total current assets	51,599	1,485,540	54,488	568,843	**2,160,470**
Noncurrent assets:					
Cash, cash equivalents and investments - restricted	-	35,285	269,455	-	**304,740**
Taxes, interest, and penalties receivable	-	-	4,998	-	**4,998**
Other receivables	-	-	861,377	241,086	**1,102,463**
Investments - unrestricted	-	-	-	108,172	**108,172**
Bond issuance costs, net of amortization	-	22,588	8,384	-	**30,972**
Intergovernmental loans	-	661,568	-	-	**661,568**
Due from primary government	-	1,057,264	-	-	**1,057,264**
Other noncurrent assets	-	-	602	1,055	**1,657**
Capital assets:					
Property, plant, and equipment	-	86	1,538	694	**2,318**
Less accumulated depreciation	-	(70)	(1,450)	(415)	**(1,935)**
Total capital assets, net of depreciation	-	16	88	279	**383**
Total noncurrent assets	-	1,776,721	1,144,904	350,592	**3,272,217**
Total assets	**51,599**	**3,262,261**	**1,199,392**	**919,435**	**5,432,687**
Liabilities					
Current liabilities:					
Accounts payable	67	749	996	797	**2,609**
Interest payable	-	44,589	558	364	**45,511**
Current portion of long-term debt	-	1,432,327	13,962	78,630	**1,524,919**
Securities lending collateral	-	-	-	302,911	**302,911**
Deposits held in custody for others	-	-	410	-	**410**
Other current liabilities	900	-	-	4	**904**
Total current liabilities	967	1,477,665	15,926	382,706	**1,877,264**
Long-term liabilities:					
Revenue bonds/notes payable	-	1,772,081	983,542	171,000	**2,926,623**
Other noncurrent liabilities	-	107	952	375	**1,434**
Total long-term liabilities	-	1,772,188	984,494	171,375	**2,928,057**
Total liabilities	**967**	**3,249,853**	**1,000,420**	**554,081**	**4,805,321**
Net assets					
Invested in capital assets net of related debt	-	16	88	63	**167**
Restricted-expendable					
Grants/constitutional restrictions	-	-	3,005	-	**3,005**
Future debt service	-	1,996	139,362	6,234	**147,592**
Pension fund distribution	-	-	-	6,888	**6,888**
Other purposes	-	-	-	40	**40**
Unrestricted (deficit)	50,632	10,396	56,517	352,129	**469,674**
Total net assets	**$ 50,632**	**$ 12,408**	**$ 198,972**	**$ 365,354**	**$ 627,366**

The notes to the financial statements are an integral part of this statement.

State of Indiana
Combining Statement of Activities
Discretely Presented Component Units - Governmental and Proprietary Funds
For the Fiscal Year Ended June 30, 2003

(amounts expressed in thousands)

		Program Revenues		Net (Expense) Revenue and Changes in Net Assets				
	Expenses	Charges for Services	Operating Grants and Contributions	Indiana Development Finance Authority	Indiana Bond Bank	Indiana Housing Finance Authority	Non-Major Component Units	Net (Expense) Revenue
Indiana Development Finance Authority	$ 19,315	$ 1,820	$ -	(17,495)	-	-	-	(17,495)
Indiana Bond Bank	100,879	769	99,839	-	(271)	-	-	(271)
Indiana Housing Finance Authority	201,310	101,877	128,890	-	-	29,457	-	29,457
Non-Major Component Units	25,862	-	31,191	-	-	-	5,329	5,329
Total component units	$ 347,366	$ 104,466	$ 259,920	(17,495)	(271)	29,457	5,329	17,020
General revenues:								
Investment earnings				-	433	14,074	-	14,507
Payments from State of Indiana				23,545	-	-	-	23,545
Other				-	-	1,647	-	1,647
Total general revenues				23,545	433	15,721	-	39,699
Change in net assets				6,050	162	45,178	5,329	56,719
Net assets - beginning				44,582	12,246	153,794	360,025	570,647
Net assets - ending				$ 50,632	$ 12,408	$ 198,972	$ 365,354	$ 627,366

The notes to the financial statements are an integral part of this statement.

State of Indiana
Combining Statement of Net Assets
Discretely Presented Component Units - Colleges and Universities
June 30, 2003
(amounts expressed in thousands)

	Indiana University	Purdue University	Non-Major Colleges and Universities	Totals
Assets				
Current assets:				
Cash, cash equivalents and investments	$ 374,708	$ 346,400	$ 248,682	**$ 969,790**
Securities lending collateral	31,578	166,225	-	**197,803**
Receivables (net)	91,455	92,059	54,483	**237,997**
Inventory	15,832	6,167	8,294	**30,293**
Prepaid expenses	-	628	8,687	**9,315**
Due from primary government	38,450	26,851	31,046	**96,347**
Funds held in trust by others	-	6,044	35,029	**41,073**
Other current assets	8,236	10,369	1,124	**19,729**
Total current assets	560,259	654,743	387,345	**1,602,347**
Noncurrent assets:				
Cash, cash equivalents and investments - restricted	-	1,114,312	512	**1,114,824**
Other receivables	68,487	52,602	14,880	**135,969**
Investments - unrestricted	429,658	-	149,050	**578,708**
Other noncurrent assets	-	-	30,363	**30,363**
Capital assets:				
Land	54,336	68,246	98,243	**220,825**
Infrastructure	133,655	17,570	58,111	**209,336**
Construction in progress	53,713	219,601	46,006	**319,320**
Property, plant, and equipment	2,499,931	1,531,343	1,441,142	**5,472,416**
Less accumulated depreciation	(1,144,831)	(793,451)	(620,548)	**(2,558,830)**
Total capital assets, net of depreciation	1,596,804	1,043,309	1,022,954	**3,663,067**
Total noncurrent assets	2,094,949	2,210,223	1,217,759	**5,522,931**
Total assets	**2,655,208**	**2,864,966**	**1,605,104**	**7,125,278**
Liabilities				
Current liabilities:				
Accounts payable	87,153	33,987	24,175	**145,315**
Interest payable	7,960	-	-	**7,960**
Current portion of long-term debt	36,796	25,220	25,279	**87,295**
Capital lease payable	2,063	4,067	-	**6,130**
Salaries, health, disability, and benefits payable	62,562	5,692	12,550	**80,804**
Deferred revenue	106,801	31,789	28,061	**166,651**
Accrued liability for compensated absences	29,829	20,221	7,756	**57,806**
Securities lending collateral	31,578	166,225	-	**197,803**
Deposits held in custody for others	26,393	20,146	8,524	**55,063**
Other current liabilities	-	32,080	5,636	**37,716**
Total current liabilities	391,135	339,427	111,981	**842,543**
Long-term liabilities:				
Accrued liability for compensated absences	-	14,657	10,247	**24,904**
Capital lease payable	12,504	85,925	-	**98,429**
Funds held in trust for others	35,216	8,150	-	**43,366**
Advances from federal government	-	20,431	4,656	**25,087**
Revenue bonds/notes payable	548,124	380,586	383,692	**1,312,402**
Other noncurrent liabilities	7,174	740	1,431	**9,345**
Total long-term liabilities	603,018	510,489	400,026	**1,513,533**
Total liabilities	**994,153**	**849,916**	**512,007**	**2,356,076**
Net assets				
Invested in capital assets net of related debt	1,086,535	605,608	618,706	**2,310,849**
Restricted-nonexpendable				
Instruction and research	-	82,580	-	**82,580**
Student aid	-	80,592	4,129	**84,721**
Other purposes	43,118	3,714	-	**46,832**
Total restricted-nonexpendable	43,118	166,886	4,129	**214,133**
Restricted-expendable				
Instruction and research	92,923	67,432	1,266	**161,621**
Student aid	-	51,937	21,058	**72,995**
Auxiliary enterprises	-	2,713	-	**2,713**
Capital projects	21,243	108,499	79,268	**209,010**
Other purposes	37,685	346,835	16,758	**401,278**
Total restricted-expendable	151,851	577,416	118,350	**847,617**
Unrestricted (deficit)	379,551	665,140	351,912	**1,396,603**
Total net assets	**$ 1,661,055**	**$ 2,015,050**	**$ 1,093,097**	**$ 4,769,202**

The notes to the financial statements are an integral part of this statement.

State of Indiana
Combining Statement of Activities
Discretely Presented Component Units - Colleges and Universities
For the Fiscal Year Ended June 30, 2003
(amounts expressed in thousands)

		Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Indiana University	Purdue University	Non-Major Colleges and Universities	Net (Expense) Revenue
Indiana University	$1,891,847	$1,007,098	$ 367,139	$ 45,376	(472,234)	-	-	(472,234)
Purdue University	1,181,992	553,936	232,702	25,104	-	(370,250)	-	(370,250)
Non-Major Colleges and Universities	936,568	355,228	221,577	9,200	-	-	(350,563)	(350,563)
Total component units	$4,010,407	$1,916,262	$ 821,418	$ 79,680	(472,234)	(370,250)	(350,563)	(1,193,047)
General revenues:								
Investment earnings					35,021	48,252	15,422	98,695
Payments from State of Indiana					511,268	353,423	397,842	1,262,533
Other					47,702	74,259	3,378	125,339
Total general revenues					593,991	475,934	416,642	1,486,567
Change in net assets					121,757	105,684	66,079	293,520
Net assets - beginning, as restated					1,539,298	1,909,366	1,027,018	4,475,682
Net assets - ending					$ 1,661,055	$ 2,015,050	$ 1,093,097	$ 4,769,202

The notes to the financial statements are an integral part of this statement.


SEAL OF THE STATE OF INDIANA
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NOTES TO THE FINANCIAL STATEMENTS

STATE OF INDIANA

Notes to the Financial Statements
June 30, 2003

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

As required by generally accepted accounting principles, these financial statements present the government (State of Indiana) and its component units. Blended component units, although legally separate entities, are in substance part of the government's operations; data from these units are combined with data of the primary government. Discretely presented component units are reported in one column in the government-wide financial statements. This column contains the governmental and proprietary fund types and colleges and universities. This is to emphasize that, as well as being legally separate from the government, they also provide services to and benefit local governments and/or the citizens of the State of Indiana. Of the component units, the Housing Finance Authority has a December 31, 2002, year-end.

Blended Component Units.

The following are blended component units of the State of Indiana. The primary government appoints a voting majority of their boards and is able to impose its will. Although they are legally separate from the State, the units are reported as if they were part of the State because they provide services entirely or almost entirely to the State. All of these component units are audited by auditors other than the State Board of Accounts.

The Indiana Transportation Finance Authority (ITFA) was established to include the construction, reconstruction and improvement of all toll roads, toll bridges, state highways, bridges, and streets and roads. The Authority was further authorized to finance improvements related to an airport or aviation-related property or facilities including the acquisition of real property. The Authority is reported in various proprietary funds.

The Recreational Development Commission was created to provide funds for projects involving the Department of Natural Resources' (DNR) properties. The five member commission includes the Treasurer of State, Director of DNR and three gubernatorial appointees. The Commission is reported as an internal service fund.

The State Lottery Commission of Indiana is composed of five members appointed by the Governor. Net proceeds from the Lottery are distributed to the State to be used to supplement teachers' retirement, pension relief, and the Build Indiana Fund. A portion of the Build Indiana Fund is then used to supplement Motor Vehicle Excise Tax Replacement. The Commission is reported as an enterprise fund.

The State Office Building Commission was created to issue revenue bond debt obligations to provide funds for financing the implementation of the Indiana Government Center Master Plan and to construct certain correctional facilities. The Commission is reported as an internal service fund.

Discretely Presented Component Units.

The following are discretely presented component units of the State of Indiana. The primary government appoints a voting majority of their boards and is able to impose its will. All governmental and proprietary component units are audited by outside auditors.

The Indiana Development Finance Authority (IDFA) provides job-creating industrial development projects with access to capital markets where adequate financing is otherwise unavailable. The Authority is governed by a board consisting of the Lieutenant Governor, the Treasurer of State, and seven members appointed by the Governor. The Authority is reported as a governmental fund.

The Indiana Secondary Market for Education Loans, Inc. (ISM) was formed at the request of the Governor to purchase education loans in the secondary market. The Governor appointed the original Board of Directors. ISM provides in its articles of incorporation that changes in the composition of its directors or in its bylaws are subject to the approval of the Governor. The unit is reported as a proprietary fund.

The Indiana Board for Depositories was established to ensure the safekeeping and prompt payment of all public funds deposited in Indiana banks. The Board, consisting of the Governor, Treasurer of State, Auditor of State, Chairman of the Commission for Financial Institutions, State Examiner of the State Board of

Accounts and four members appointed by the Governor, provides insurance on public funds in excess of the $100,000 Federal Deposit Insurance Corporation limit. The unit is reported as a proprietary fund.

The Indiana Bond Bank, created in 1984, is controlled by a board composed of the Treasurer of State, Director of the Department of Financial Institutions and five appointees of the Governor. The Bond Bank issues debt obligations and invests the proceeds in various projects of state and local governments. The unit is reported as a proprietary fund.

The Indiana Housing Finance Authority was created in 1978 for the purpose of financing residential housing for persons and families of low and moderate incomes. The Authority's board consists of the Director of the Department of Financial Institutions, the Director of the Department of Commerce, the State Treasurer and four persons appointed by the Governor. By statute, the Lieutenant Governor is Director of the Indiana Department of Commerce. The unit is reported as a proprietary fund.

The Indiana Housing Finance Authority, the Indiana Bond Bank and the Indiana Development Finance Authority were determined to be significant for note disclosure purposes involving the discretely presented proprietary and governmental component units.

Effective July 1, 2000, the Public Employees Retirement Fund (PERF) became an independent body corporate and politic. PERF is not a department or agency for the State but is an independent instrumentality exercising essential government functions. The PERF board is composed of five trustees appointed by the Governor. The board of trustees administers the following funds: Public Employees Retirement Fund, Judges Retirement System, Excise Police and Conservation Enforcement Officers' Retirement Plan, the 1977 Police Officers' and Firefighters' Pension and Disability Fund, the Legislators' Retirement System Defined Benefit Plan, the Legislators' Retirement System Defined Contribution Plan, the Prosecuting Attorneys' Retirement Fund, the Pension Relief Fund, and two death benefit funds. For more information on PERF see Note V(I) Employee Retirement Systems and Plans. All of these funds have been aggregated for presentation in the Discretely Presented Component Units' financial statements.

Effective July 1, 2000, the Teachers Retirement Fund (TRF) became an independent body corporate and politic. TRF is not a department or agency for the State but is an independent instrumentality exercising essential government functions. The TRF board is composed of five trustees appointed by the Governor. For more information on TRF see Note V(I) Employee Retirement Systems and Plans.

The Public Employees Retirement Fund and the Teachers Retirement Fund were determined to be significant for note disclosure purposes involving the discretely presented fiduciary component units.

Each of the seven colleges and universities included in this report was established by individual legislation to provide higher education opportunities to the citizens of Indiana. The authority to administer the operations of each institution is granted to a separate board of trustees for each of the seven institutions. The number and makeup of the board of trustees of each college and university is prescribed by legislation specific for that institution. Four universities have nine member boards; two have ten member boards; Indiana Vocational Technical College has a thirteen-member board of trustees. Appointments to the boards of trustees are made by the Governor and by election of the alumni of the respective universities.

Indiana University and Purdue University were determined to be significant for note disclosure purposes involving the colleges and universities.

The primary government's officials are also responsible for appointing the members of the boards of other organizations, but the primary government's accountability for these organizations does not extend beyond making the appointments. The primary government appoints the board members of the Health Facilities Financing Authority.

The financial statements of the individual component units may be obtained from their administrative offices as follows:

Indiana Transportation Finance Authority
One North Capitol, Suite 900
Indianapolis, IN 46204

Recreational Development Commission
c/o Division of State Parks and Reservoirs
402 W. Washington Street, Rm W298
Indianapolis, IN 46204

State Lottery Commission of Indiana
Pan Am Plaza
201 S. Capitol, Suite 1100
Indianapolis, IN 46225

State Office Building Commission
Government Center South, W478
402 W. Washington Street
Indianapolis, IN 46204

Indiana Development Finance Authority
One North Capitol, Suite 900
Indianapolis, IN 46204

Secondary Market for Education Loans, Inc.
111 Monument Circle, Suite 202
Indianapolis, IN 46204

Board for Depositories
One North Capitol Ave, Suite 418
Indianapolis, IN 46204

Indiana Bond Bank
10 West Market St. Suite 2980
Indianapolis, IN 46204

Indiana Housing Finance Authority
30 South Meridian, Suite 1000
Indianapolis, IN 46204

Accounting Services
Attn: Theresa Ashman, Associate Comptroller
1062 Freehafer Hall
Purdue University
West Lafayette, IN 47907-1062

Diana M. Biggs
Director of Internal Audit
University of Southern Indiana
8600 University Boulevard
Evansville, IN 47712

Office of the Vice President and CFO
Attn: Kathleen McNeely
Poplar's Room. 502, 107 S. Indiana Ave.
Indiana University
Bloomington, IN 47405-1202

Mark Husk
Director of Budgeting and Accounting
Indiana Vocational Technical College
Indianapolis, IN 46206-1763

Linda Waldroup, Controller
Vincennes University
1002 North 1st Street
Vincennes, IN 47591

William A. McCune, Controller
Administration Bldg., 301
2000 West University Avenue
Ball State University
Muncie, IN 47306

Jeffery J. Jacso
Assistant Controller Financial Accounting
Office of the Controller
Indiana State University
200 N. 7th Street
Terre Haute, IN 47809

State of Indiana
Public Employees' Retirement Fund
Harrison Building
143 West Market Street
Indianapolis, IN 46204

Indiana State Teachers' Retirement Fund
150 West Market Street, Suite 300
Indianapolis, IN 46204-2809

B. Government-Wide and Fund Financial Statements

The government-wide financial statements consist of a statement of net assets and a statement of activities. These statements report information about the overall government. They exclude information about fiduciary activities, including component units, which are fiduciary in nature, such as the public employee retirement systems. They distinguish between the primary government and its discretely presented component units as defined under the reporting entity above. They also distinguish between governmental activities and business-type activities of the State. Governmental activities rely on taxes and intergovernmental revenues for their support. Business-type activities, on the other hand, rely on fees and charges for services provided for their support.

The statement of activities matches the State's direct functional expense with the functional program revenue to identify the relative financial burden of each of the State's functions. This format identifies the extent to which each function of the government draws from the general revenues of the government or is self-financing through fees and intergovernmental aid. Certain indirect costs are included in the program expense reported for individual functions of government. Program revenues derive directly from the program itself or from parties outside the State's taxpayers, as a whole. They reduce the net cost of the function to be financed from the general revenues. Program revenues include charges for services, program-specific operating grants and contributions, and program-specific capital grants and contributions. Revenues that do not meet the criteria of program revenues are general revenues. These include all taxes, even those levied for a specific purpose and are reported by type of tax. Investment income is also a general revenue.

Separate financial statements are presented for the State's governmental, proprietary and fiduciary funds. Governmental fund financial statements are the balance sheet and the statement of revenues, expenditures, and changes in fund balances. Major governmental funds are presented in separate columns and non-major funds are aggregated in a separate column. Proprietary and fiduciary funds are reported using the statement of net assets, and the statement of changes in net assets. In addition proprietary funds include a statement of cash flows.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

Measurement Focus and Basis of Accounting.

The government-wide statements and the proprietary and fiduciary fund statements use the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Government-mandated nonexchange revenues and voluntary nonexchange revenues, including federal government mandates on the state, certain grants and entitlements, and most donations, are recognized in the period when all applicable eligibility requirements have been met.

For the government-wide financial statements and proprietary and fiduciary fund statements, the State applies all applicable FASB pronouncements issued

before December 1, 1989, and those issued after that date which do not contradict any previously issued GASB pronouncements.

Governmental funds are used to account for the government's general government activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For the State of Indiana, “available” means collectible within one month of the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences and related liabilities, and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Individual and corporate income tax, sales tax, inheritance tax, cigarette tax, alcoholic beverage tax, motor fuel tax, fines, and penalties are accrued using one month’s revenues.

Gaming taxes and fees and vehicle licenses are received daily via electronic funds transfer with a one working day delay, so the first working day in July revenues are reviewed for materiality and accrued accordingly.

Financial Statement Presentation A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions.

Governmental funds are used to account for the government's general government activities. Governmental funds include the general fund, special revenue funds, capital projects funds, debt service funds and permanent funds.

The *General Fund* is the State’s primary operating fund. It is maintained to account for resources obtained and used for those services traditionally provided by State government, which are not required to be accounted for in another fund. The General Fund is a major fund.

The *special revenue* funds account for revenue sources that are legally restricted to expenditure for specific purposes except for major capital projects.

The following special revenue funds are presented as major.

- The *Motor Vehicle Highway Fund* collects motor fuel taxes, special fuel taxes, motor carrier surtaxes, vehicle license fees and uses them for public safety programs and distributions to local units of government for transportation programs.

- The *Medicaid Assistance Fund* receives federal grants and State appropriations which are used to administer the Medicaid program.

- The *State Highway Department Fund* receives federal grants and State appropriations that are used for State transportation programs.

- The *Property Tax Replacement Fund* receives corporate income tax and sales tax which is used for education and property tax replacement distributions to local units of government.

- The *Tobacco Settlement Fund* is used to account for funds received under the master tobacco settlement agreement and is used to fund the children’s health insurance program.

- The *Build Indiana Fund* receives gaming revenues and uses them to fund local capital projects.

The *capital projects funds* account for the acquisition of fixed assets or construction of major capital projects not being financed by proprietary or fiduciary funds.

The *permanent funds* are used to account for resources that are legally restricted to the extent that only earnings and not principal may be used for the benefit of the government or its citizens. There are no major permanent funds.

Proprietary funds focus on the determination of operating income, changes in net assets, financial position and cash flows. Operating revenues and expenses are the revenues and expenses that pertain to the fund’s principal operations. For the Unemployment Compensation Fund, operating revenues consist of grants and taxes. For the State Revolving Fund, grant revenue is considered operating revenue. Nonoperating revenues and expenses are those revenues resulting from secondary or auxiliary activities of the fund.

Nonoperating items include interest/investment revenue and expense. Proprietary funds include both enterprise funds and internal service funds.

Enterprise funds are used to account for those operations that are financed and operated in a manner similar to private business or where the board has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

The State reports the following major enterprise funds:

- The *Toll Roads Fund* under the Indiana Transportation Finance Authority, collects tolls that are used to make payments on revenue bonds used to finance the construction of the East-West Toll Road in northern Indiana.

- The *ITFA Aviation Technology Bond Fund* accounts for the financing of a portion of the costs of the Aviation Technology Center located at Indianapolis International Airport.

- The *ITFA Airport Facilities Bond Fund* accounts for the financing of improvements for the airport or aviation-related property or facilities, including the acquisition of real estate.

- The *State Revolving Fund* uses proceeds from bonds issued by the Indiana Bond Bank to assist qualified entities in obtaining below market financing for water pollution control projects.

- The *Unemployment Compensation Fund* collects employer taxes and the federal share of unemployment compensation. Benefits are paid to eligible individuals.

- The *State Lottery Commission Fund* collects lottery revenues that are distributed to the Pension Relief Fund, the Teachers Retirement Fund and the Build Indiana Fund.

Internal service funds account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost-reimbursement basis. The services provided include fleet management, information technology and communication, printing, debt financing, and self-insurance. Major fund reporting requirements do not apply to internal service funds. Combined totals for all internal service funds are reported as a separate column on the face of the proprietary fund financial statements.

Fiduciary funds account for assets held by or on behalf of the government in a trustee capacity or as an agent on behalf of others. They cannot be used to support the State's own programs. Fiduciary funds include pension (and other employee benefit) trust funds, private-purpose trust funds, and agency funds.

Pension (and other employee benefit) trust funds are used to report resources held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, and other post-employment benefit plans. Pension trust funds include the Deferred Compensation Plan Fund and the State Police Pension Fund.

Private-purpose trust funds are used to account for trust arrangements in which both the principal and interest may be spent for the benefit of individuals, private organizations or other governments. Private Purpose funds include the Property Custody Fund, the Abandoned Property Fund, the Unclaimed Funds Fund, and the Private Purpose Trust Fund.

Agency funds are custodial in nature and do not present results of operations or have a measurement focus. These funds are used to account for assets that the government holds for others in an agency capacity. Agency Funds include Employee Payroll Withholding and Benefits, Local Distributions, Child Support and Department of Insurance.

D. Assets, Liabilities and Equity

1. Deposits, Investments and Securities Lending

For purposes of reporting cash flows, cash and cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash and near their maturity (generally three months or less from the date of acquisition). Cash and cash equivalents are stated at cost, which approximates fair value.

Cash balances of most State funds are commingled in general checking accounts and several special purpose banking accounts. The available cash balance not necessary beyond immediate need is pooled and invested. Interest earned from investments purchased with pooled cash is deposited in the general fund, except as otherwise provided by statute.

Investments and secured lending transactions are stated at fair value. However, money market investments and participating interest-earning investment contracts that mature within one year of acquisition are reported at amortized cost, which approximates fair value. Fair value is determined by quoted market prices which approximate fair value.

Indiana Code 5-13-9 authorizes the Treasurer to invest in deposit accounts issued or offered by a designated depository; securities backed by the full faith and credit of the United States Treasury; and repurchase agreements that are fully collateralized, as determined by the current market value computed on the day the agreement is effective, by interest-bearing obligations that are issued, fully insured or guaranteed by the United States or any U.S. government agency.

The Treasurer of State is authorized by statute to accept as collateral safekeeping receipts for securities from: (1) a duly designated depository or (2) a financial institution located either in or out of Indiana, having physical custody of securities, with a combined capital and surplus of at least $10 million, according to the last statement of condition filed by the financial institution with its governmental supervisory body. The Treasurer may not deposit aggregate funds in deposit accounts in any one designated depository in an amount aggregating at any one time more than 50 percent of the combined capital, surplus and undivided profits of that depository as determined by the last published statement.

Bond indentures of the Indiana Transportation Finance Authority authorize investments in obligations of the U.S. Treasury, U.S. government agencies and instrumentalities, tax exempt securities, savings accounts, certificates of deposit (CDs) and repurchase agreements (repos) secured by government securities.

The State Office Building Commission trust indentures authorize obligations of the U.S. Treasury, U.S. government agencies and instrumentalities, tax exempt securities, new Housing Authority bonds, savings and CDs, repos and reverse repos secured by government securities, investment agreements and commercial paper. Indiana Code permits investment in shares of management type investment trusts provided those trusts invest in securities of the types specified above.

Money held in the trust fund of the State Lottery Commission for the deferred payment of prizes may be invested by the Treasurer of State in annuities sold by an insurance company licensed to do business in Indiana (A.M. Best rating of A or equivalent) or in direct U.S. Treasury obligations.

Investments of the Recreational Development Commission will be kept in depositories designated as depositories for funds of the State as selected by the Commission, in the manner provided by IC 5-13-9.

The investments of the State's retirement systems are governed by separate investment guidelines. Investments which are authorized for the State Teachers' Retirement Fund include: U.S. Treasury and Agency obligations, State and municipal obligations, domestic corporate bonds/notes, common stock and equity securities, foreign stocks and bonds, mortgage securities, venture capital and partnerships, and real estate. Investments which are authorized for the State Police Retirement fund include: U.S. Treasury and Agency obligations, State and municipal obligations, domestic corporate bonds/notes, common stock and equity securities, foreign stocks and bonds, mortgage pool investments, and repurchase agreements. The remaining six retirement systems and the Pension Relief Fund are administered by the Public Employees' Retirement Fund Board. The Board is required to diversify investments in accordance with prudent investment standards. Investment guidelines, issued by the Board, contain limits and goals for each type of investment portfolio, and specify prohibited transactions. These guidelines authorized investments of: U.S. Treasury and Agency obligations, domestic corporate bonds/notes, common stock and equity securities, foreign stocks and bonds, mortgage securities, mutual funds, asset backed, commercial mortgage backed, international stocks, and real estate.

Certain deposits of State funds are entrusted to an outside agent to invest and disburse as per federal requirements or contract. The State Revolving Fund is held by a fiscal agent and included as an enterprise fund.

2. Receivables and Payables

In the government-wide and proprietary fund financial statements, revenues are recognized on the flow of economic resources measurement focus. Material receivables are recognized as follows. Uncollected taxes due in the following periods are subject to accrual.

Individual income tax – Individual withholding tax is due from employers by the 20th day after the end of the month collected. Estimated payments are due from individuals by the 15th of the month immediately following each quarter or the calendar year.

Corporate income tax - Due on or before the last day of the month immediately following each quarter of the calendar year.

Sales tax – Due by the 20th day after the end of the month collected.

Fuel tax – Gasoline tax is due the 20th day after the end of the month collected. Special fuel tax, depending on the status of the taxpayer, is due by the 15th day after the end of the month

collected or the 15th day after the end of the quarter collected. Motor carrier surtax is due at the end of the month following the end of the quarter.

Financial institutions tax – due on or before the fifteenth day of the fourth month following the close of the taxpayer's taxable year.

Alcohol and tobacco taxes – Cigarette distributors purchase tax stamps within 6 days after they accept delivery of the cigarettes. Cigarette tax is due within 30 days of the issuance of the tax stamp. Alcoholic beverage tax is due by the 20th day after the end of the month collected.

Inheritance tax – due nine months after the decedent's date of death.

In the governmental fund financial statements, revenue is recognized on the flow of current financial resources. Material receivables are subject to accrual for receipts collected in the month of July.

The State of Indiana does not collect property tax, which is collected by local units of government; a minor portion is remitted to the state semiannually (June and December) for distribution to the State Fair Commission, Department of Natural Resources and Family and Social Services Administration.

3. Interfund Transactions and Balances

The State has the following types of interfund transactions in the governmental fund and proprietary financial statements:

Interfund service provided and used (reciprocal interfund activity) - Charges for goods or services rendered by one fund to another are treated as revenues of the recipient fund and expenditures/expenses of the disbursing fund.

Interfund Transfers (non-reciprocal interfund activity) - Legally authorized transfers whereby the two parties do not receive equivalent cash, goods or services are reported as transfers.

The types of assets and liabilities resulting from these transactions are:

Interfund loans - These are balances arising from the short-term and long-term portion of interfund transactions.

Interfund services provided / used - These are balances arising in connection with reciprocal interfund activity or reimbursements. Balances relating to discretely presented component units are presented as 'Due from / to component units'.

Interfund services provided and interfund loans are eliminated in the government-wide statements if they are provided by one governmental activity on behalf of another or by one business-type activity on behalf of another. The net amount of interfund services provided and interfund loans provided by a governmental activity for a business-type activity or by a business-type activity for a governmental activity are presented in the government-wide statement of net assets under the title "Interfund balances".

4. Inventories and Prepaid Items

Inventories for the Inns & Concessions, State Lottery Commission, Institutional Industries and Administration Services Revolving are valued at cost; Toll Road inventories are valued at lower of cost or market. The costs of governmental fund-type inventories are recorded as expenditures when purchased. The first in/first out (FIFO) method is used for valuation of inventories.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

5. Restricted Net Assets

Certain net assets are classified as restricted net assets because their use is completely restricted by bond indentures, contracts, grantors, contributors, laws or regulations of other governments, or through constitutional provisions or enabling legislation.

6. Capital Assets

Capital outlays are reported as expenditures in the governmental funds and as assets in the government-wide statements to the extent the State's $20,000 capitalization threshold is met. In accordance with GASB Statement No. 34, all infrastructure assets have been capitalized retroactively.

The Indiana Department of Transportation (INDOT) uses the modified approach for reporting its infrastructure. The Department of Natural Resources (DNR) uses the depreciation approach for reporting its infrastructure.

Under the modified approach, the State has determined that the condition level for INDOT infrastructure assets to be maintained is:

- an average Pavement Quality Index (PQI) of 75 for Interstate and NHS Non-Interstate roads,
- an average PQI of 65 for Non-NHS roads,

- an average sufficiency rating of 87% for interstate bridges,
- an average sufficiency rating of 85% for NHS Non-Interstate bridges, and
- an average sufficiency rating of 83% for Non-NHS bridges.

The Division of Program Development of INDOT is responsible for determining the appropriate condition level of the infrastructure assets.

No amounts are capitalized in connection with improvements that lengthen the lives of such assets, unless the improvements also increase their service potential.

The State maintains an inventory of these infrastructure assets and performs periodic condition assessments to establish that the predetermined condition level is being maintained. Condition assessments are determined on an annual basis for interstates and on a biennial basis for other roads. Sufficiency ratings are determined at least on a biennial basis for all bridges and more frequently for certain bridges depending on their design.

The State makes annual estimates of the amounts that must be expended to preserve and maintain these infrastructure assets at the predetermined condition levels.

Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated fixed assets are recorded at their estimated fair value at the date of donation.

Capital assets are depreciated in the proprietary and similar trust funds using the straight-line method on both the fund basis and the government-wide basis. Both the government-wide statements and proprietary and similar trust funds use the following estimated useful lives:

Assets	Years
Buildings	20-40
Improvements other than buildings	10-20
Infrastructure (not using modified approach)	20
Furniture, machinery and equipment	5-14
Motor Pool Vehicles	10 ¢ / mile

The State of Indiana maintains several collections of works of art, historical treasures, and similar assets that are not capitalized. While the collections are maintained by different agencies, each collection is:

- Held for public exhibition, education, or research in furtherance of public service, rather than financial gain.
- Protected, kept unencumbered, cared for, and preserved.
- Subject to an organizational policy that either prohibits sale or requires the proceeds from sales of collection items to be used to acquire other items for collections.

The State's major collections are:

- The State Museum Collection, which is a part of the Indiana Department of Natural Resources, consists of historical buildings and furnishings; personal artifacts; tools and equipment; communication, transportation, recreational and societal artifacts; and art objects.

- The Commission on Public Records, State Archives Collection consists of historical and legal documents, that are generated on: paper or paper substitutes; photographic or chemically based media; magnetic or machine readable media; or any other materials, regardless of form or characteristics.

- The State Library has two collections, the Manuscript Collection and the Indiana History Collection. These collections include historical documents and works of art, most of it of Indiana origin.

Other collections include the Historical Bureau's Indiana Governors' Portrait Collection, the Department of Administrations' Statehouse Collection, and the Indiana Arts Commission's Collection. These collections consist primarily of art objects.

7. Compensated Absences

Full-time employees of the State of Indiana are permitted to accumulate earned but unused vacation and sick pay benefits. Vacation leave accumulates at the rate of one day per month and sick leave at the rate of one day every two months plus an extra day every four months. Bonus vacation days are awarded upon completion of five, ten and twenty years of employment.

Personal leave days are earned at the rate of one day every four months; any personal leave accumulated in excess of three days automatically becomes part of the sick leave balance. Upon separation of service, in

good standing, employees will be paid for a maximum of thirty (30) unused vacation leave days.

No liability is reported for unpaid accumulated sick leave. Vacation and personal leave and salary-related payments that are expected to be liquidated with expendable available financial resources are reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts not expected to be liquidated with expendable available financial resources are reported as long term liabilities in government-wide and proprietary and fiduciary fund financial statements.

8. Long-Term Obligations

Long-term debt and other obligations are reported in the government-wide statements and the proprietary funds statements as liabilities in the applicable governmental activities, business-type activities, or proprietary fund.

In the governmental fund financial statements, bond issuance costs and bond discounts are treated as period costs in the year of issue. Proceeds of long term debt, issuance premiums or discounts and certain payments to escrow agents for bond refundings are reported as other financing sources and uses.

9. Fund Equity

In the fund financial statements reservations of fund equity represent those portions of fund balances that are legally restricted by outside parties for a specific purpose or are not appropriable. In the accompanying balance sheet, reserves for encumbrances and tuition support are examples of the former. Reserves for intergovernmental loans and advances receivables are examples of the latter. The following is a brief description of each reserve and the purpose for which it was established:

Reserve for Tuition Support - established to recognize that the legislature has set aside money, as determined by the State Budget Agency, for paying the monthly distributions to local school units at the beginning of the succeeding fiscal year.

Reserve for Encumbrances - established to recognize money set aside out of one year's budget for goods and/or services ordered during that year that will not be paid for until they are received in a subsequent year.

Reserve for Restricted Purposes – established to recognize legal limitations that specify the purpose or purposes for which resources derived from government-mandated and voluntary nonexchange transactions are to be used.

Reserve for Prepaid Items – established to recognize payments made in advance of receipt of goods and services in an exchange transaction.

Reserve for Interfund Loans - established to recognize short-term and long-term loans issued to other funds within this government and therefore not currently available for expenditure.

Reserve for Intergovernmental Loans - established to recognize that the legislature has set aside money to lend to local units of government for specific purposes. These amounts are loans to individual school corporations, cities, towns, counties and other governmental units. Additionally, the general fund lends money to nonprofit entities. All loans require review and approval of the Board of Finance prior to issuance.

Reserve for Debt Service, Special Purposes - established to recognize that certain amounts have been set aside for debt service and for purposes specific to a particular component. Designations of fund balance represent tentative management plans that are subject to change.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

As described in Note I, Summary of Significant Accounting Policies, differences exist between the government-wide and the governmental fund financial statements. These differences are summarized in the reconciliations that follow the governmental fund financial statements.

A. Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets

In the government-wide financial statements, capital assets are considered economic resources and are capitalized at cost or estimated historical cost at time of acquisition. Where applicable these costs are offset by accumulated depreciation.

The government-wide statements use the flow of economic resources and accrue receivables that are not available soon enough in the subsequent period to pay for the current period's expenditures. Also under the flow of economic resources, expenses reported in the statement of activities do not require the use of current financial resources. Both these receivables and payables are accrued in the government-wide statements, but not in the fund financial statements.

Internal service funds are used by management to charge the costs of certain activities to individual funds. In the government-wide financial statements, the assets and liabilities of internal service funds are included in governmental activities in the statement of net assets. In the proprietary fund financial statements internal service fund balances are segregated and reported as their own fund type.

B. Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities

In the government-wide financial statements, the cost for capital outlays, except for governmental infrastructure, is allocated over the assets' useful lives and is reported as depreciation expense. In the fund financial statements, capital outlays are reported as expenditures.

The government-wide statements use the flow of economic resources and therefore do not report revenues and expenses dependent on the availability of financial resources, as is reported in the fund financial statements. Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the fund financial statements. Expenses reported in the statement of activities that do not require the use of current financial resources are not reported as expenditures in the fund financial statements. Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental fund financial statements, but the repayment reduces long-term liabilities in the statement of net assets.

Internal service funds are used by management to charge the costs of certain activities to individual funds. In the government-wide financial statements, the expenses of internal service funds are included in governmental activities in the statement of activities. In the proprietary fund financial statements internal service fund balances are segregated and reported as their own fund type.

III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

The Governor submits a budget biennially to be adopted by the General Assembly for the ensuing two-year period. The budget covers the general fund and most special revenue funds, but excludes the Armory Board and the Recreation funds at state institutions and mental facilities. The General Assembly enacts the budget through passage of specific appropriations, the sum of which may not exceed estimated revenues. Appropriations for programs funded from special revenue funds may allow expenditures in excess of original appropriations to the extent that revenues collected exceed estimated revenues.

The original budget is composed of the budget bill and continuing appropriations. The budget bill is enacted as the Appropriations Act that the Governor may veto, subject to legislative override. Continuing appropriations report budgeted expenditures as equal to the amount of revenues received during the year plus any balances carried forward from the previous year as determined by statute. Except as specifically provided by statute, appropriations or any part thereof remaining unexpended and unencumbered at the close of any fiscal year will lapse and be returned to the fund from which it was appropriated.

The final budget is composed of budgeted amounts as adopted and as amended by supplemental appropriations or appropriation transfers that were necessary during the current year. The State Board of Finance, which consists of the Governor, Auditor of State and Treasurer of State, is empowered to transfer appropriations from one fund of the State to another, with the exception of trust funds. The State Budget Agency may transfer, assign, and reassign almost any appropriation, except those restricted by law; but only when the uses and purposes of the funds concur. Excess general fund revenue is used to cover non-budgeted recurring expenditures and overdrafts of budgeted amounts at the end of the current year. Capital appropriations are initially posted to general government. As projects are approved by the State Budget Committee the appropriations are transferred to the function of government from which they are disbursed. These actions are considered supplemental appropriations; therefore, expenditures do not exceed appropriations for individual funds.

The legal level of budgetary control (the level on which expenditures may not legally exceed appropriations) is maintained at the fund level by the State Budget Agency. When budgets are submitted for each fund center, certain recurring expenditures are not budgeted (medical service payments, unemployment benefits, tort claims) according to instructions from the State Budget Agency to the various agencies. The Budget Agency monitors all fund centers regularly in addition to monitoring excess general fund revenue that will be available at the end of the fiscal year to cover the non-budgeted, recurring expenditures.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities. Funds encumbered in the prior year are carried forward in the ensuing year's budget. The availability of unencumbered funds in the subsequent year is dependent upon the legislative or administrative controls established when the fund center was originated.

B. Deficit Fund Equity

At June 30, 2003, various funds had a deficit fund balance caused by overdrafts from pooled cash and investments and the posting of accruals to the balance sheet. Temporary cash overdrafts are reported as interfund loans from the general fund.

Fund	Overdraft from pooled cash	Accrual deficits
Governmental Funds		
Motor Vehicle Highway Fund	$ (5,263)	$ (18,262)
Property Tax Replacement Fund	-	(682,122)
County Welfare Administration	(6,724)	(8,697)
Patients Compensation	-	(3,346)
Federal Food Stamp Program	(522)	(88)
Major Construction Army National Guard	-	(890)

C. Unreserved Fund Balance

The State of Indiana designates its unreserved fund balance as designated for appropriations, designated for allotments, and undesignated. In order for money to be spent out of a fund it must be appropriated by the legislature and then allotted by the State Budget Agency. The following are the designations of unreserved fund balance at June 30, 2003:

Unreserved Fund Balance

	Designations of Unreserved Fund Balance			
	Designated for Appropriations	Designated for Allotments	Undesignated	Total Unreserved Fund Balance
Governmental Funds				
General Fund	$ 290,013	$ 408,031	$ 173,009	$ 871,053
Motor Vehicle Highway Fund	-	-	(35,677)	(35,677)
Medicaid Assistance	-	42,504	-	42,504
Build Indiana Fund	-	14,045	-	14,045
State Highway Department	-	-	(732,229)	(732,229)
Property Tax Replacement Fund	-	-	(682,122)	(682,122)
Tobacco Settlement Fund	272,810	1,522	-	274,332
Non-Major Special Revenue Funds	181,140	761,228	36,123	978,491
Non-Major Capital Projects Funds	43,619	23,143	11,542	78,304
Non-Major Permanent Funds	-	249,365	1,102	250,467
Total Governmental Funds	$ 787,582	$ 1,499,838	$ (1,228,252)	$ 1,059,168

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits, Investments and Securities Lending

The deposits with financial institutions for the primary government and its discretely presented component units at year end were entirely insured by federal depository insurance, state depository insurance, or collateralized securities held by the State or by an agent in the State's name. An exception to this is $68 million in deposits of the Public Employees' Retirement Fund which exceeded federal depository insurance limitations.

Investment are categorized into these three categories of credit risk: (1) Insured or registered, or securities held by the State (or its component unit) or an agent in the State's or unit's name. (2) Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the State's or unit's name. (3) Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the State's or unit's name.

Blended component units that are included in the financial statements as described in Section I(A) account for $147.2 million of the primary government's total investments included in these totals.

Primary Government Including Fiduciary Funds

	Category 1	Category 2	Category 3	Fair Value
Commercial paper				
Not on securities loan	$ -	$ -	$ 4,099	$ 4,099
Corporate debt/equity securities				
Not on securities loan	172,380	-	360,033	532,413
Foreign corporate debt/equity securities				
Not on securities loan	24,384	-	9,647	34,031
Repurchase agreements				
Not on securities loan	-	-	503	503
US Treasury & agency obligations				
Not on securities loan	356,660	405	528,288	885,353
State and municipal obligations				
Not on securities loan	6,813	-	41,392	48,205
Mortgage securities				
Not on securities loan	77	-	-	77
Totals	$ 560,314	$ 405	$ 943,962	1,504,681
Investments - not categorized				
Guaranteed investment contracts and other				715,667
Investments held by broker-dealers under securities loans				
US Treasury & agency obligations				2,048,393
Securities lending S-T cash collateral investment pool				2,055,126
Mutual funds				924,132
Annuity/investment contracts				3,801
Total primary government				$ 7,251,800

The categories of investments for the Major Discretely Presented Component Units including colleges and universities at June 30, 2003 are as follows:

Major Discretely Presented Component Units

	Category 1	Category 2	Category 3	Fair Value
Commercial paper				
Not on securities loan	$ -	$ -	$ 24,967	$ 24,967
Corporate debt/equity securities				
Not on securities loan	8,564,528	110	310,345	8,874,983
On securities loan	523	13,506	-	14,029
Foreign bonds				
Not on securities loan	1,548,794	-	-	1,548,794
On securities loan	-	1,136	-	1,136
Repurchase agreements				
Not on securities loan	-	-	191,195	191,195
US Treasury & agency obligations				
Not on securities loan	954,895	23,185	-	978,080
On securities loan	261,227	167,966	470,168	899,361
State and municipal obligations				
Not on securities loan	3,306	-	-	3,306
Mortgage securities				
Not on securities loan	2,437,558	-	-	2,437,558
Totals	$ 13,770,831	$ 205,903	$ 996,675	14,973,409
Investments - not categorized				
Guaranteed investment contracts and other				921,220
Investments held by broker-dealers under securities loans				
Equity securities				493,597
Corporate bonds				304,426
US Treasury & agency obligations				614,669
Foreign bonds				128,022
Securities lending S-T cash collateral investment pool				968,443
Securities lending S-T non-cash collateral investment pool				11,352
Mutual funds				436,373
Other				375,296
Total				$ 19,226,807

State statutes and policies permit the State to lend securities to broker-dealers and other entities (borrowers) for collateral with a simultaneous agreement to return the collateral for the same securities in the future. The State's custodial banks manage the securities lending programs and receive securities or cash as collateral. The types of securities lent during the year may include U.S. Treasury and agency obligations, corporate bonds/notes, and foreign bonds. Collateral securities and cash are initially pledged at 102 percent of the market value of the securities lent. Generally, there are no restrictions on the amount of assets that can be lent at one time, except for the Public Employees Retirement Fund and the State Teachers Retirement Fund (discretely presented component units), which allow no more than 40% to be lent at one time. The collateral securities cannot be pledged or sold by the State unless the borrower defaults, but cash collateral may be invested. At year-end, the State had no credit risk exposure to borrowers because the amount the State owes the borrowers exceed the amounts the borrowers owe the State. Cash collateral is generally invested in securities of a longer term with the mismatch of maturities generally 0-15 days. The contracts with the State's custodians requires them to indemnify the funds if the borrowers fail to return the securities (and if the collateral is inadequate to replace the securities lent) or fail to pay the funds for income distributions by the securities' issuers while the securities are on loan.

B. Interfund Transactions

The composition of interfund balances as of June 30, 2003 is as follows:

Interfund Loans

	Loans To Other Funds		Loans From Other Funds	
	Loans To Governmental Funds	Loans To Proprietary Funds	Loans From Governmental Funds	Loans From Proprietary Funds
Governmental Funds				
General Fund	$ 14,916	$ 2,115	$ -	$ 120
Motor Vehicle Highway	-	-	5,263	-
State Highway Department	-	19,716	-	-
Nonmajor Governmental Funds	436	578	10,089	-
Total Governmental Funds	15,352	22,409	15,352	120
Proprietary Funds				
Nonmajor Enterprise Funds	-	-	-	300
Internal Service Funds	120	300	22,409	-
Total Proprietary Funds	120	300	22,409	300
Total Interfund Loans	**$ 15,472**	**$ 22,709**	**$ 37,761**	**$ 420**

Interfund Services Provided/Used

	Interfund Services Provided To Governmental Funds	Interfund Services Used By Governmental Funds
Governmental Funds		
General Fund	$ -	$ 2,847
Motor Vehicle Highway Fund	-	3,695
State Highway Department	-	190
Nonmajor Governmental Funds	-	2,202
Total Governmental Funds	-	8,934
Proprietary Funds		
Internal Service Funds	8,934	-
Total Proprietary Funds	8,934	-
Total Interfund Services Provided/Used	**$ 8,934**	**$ 8,934**

The composition of interfund balances as of June 30, 2003 is as follows: (continued)

Component Units

	Due From Primary Government	Due To Component Units
Governmental Funds		
General Fund	$ -	$ 96,347
Total Governmental Funds	-	96,347
Proprietary Funds		
State Revolving Fund	-	1,078,634
Total Proprietary Funds	-	1,078,634
Component Units		
Indiana University	38,450	-
Purdue University	26,851	-
Nonmajor Universities	31,046	-
Indiana Bond Bank	1,078,634	-
Total Component Units	1,174,981	-
Total Due From/To	**$ 1,174,981**	**$ 1,174,981**

Within Component Units

	Due From Component Units	Due To Component Units
Discretely Presented Component Units Pension Trust:		
Pension Trust		
Public Employees' Retirement Fund	$ 5,825	$ 7,479
State Teachers' Retirement Fund	7,479	5,825
Total Discretely Presented Component Units Pension Trust	13,304	13,304
Total Due From / To	**$ 13,304**	**$ 13,304**

A summary of interfund transfers for the year ended June 30, 2003 is as follows:

	Transfers in	Transfers (out)	**Net transfers**
Governmental Funds			
General Fund	$ 3,043,982	$ (2,982,995)	**$ 60,987**
Motor Vehicle Highway Fund	246,447	(315,010)	**(68,563)**
Medicaid Assistance	1,519,347	(29,371)	**1,489,976**
Build Indiana Fund	381,960	(411,212)	**(29,252)**
State Highway Department	456,397	(8,607)	**447,790**
Property Tax Replacement Fund	945,341	(1,822,671)	**(877,330)**
Tobacco Settlement Fund	73,569	(170,986)	**(97,417)**
Nonmajor Governmental Fund	1,690,756	(2,482,511)	**(791,755)**
Proprietary Funds			
Toll Roads	-	-	**-**
State Revolving Fund	-	-	**-**
Unemployment Compensation Fund	1,901	-	**1,901**
State Lottery Commission	-	(108,727)	**(108,727)**
Nonmajor Enterprise Funds	1,029	-	**1,029**
Internal Service Funds	9,292	(37,931)	**(28,639)**
Fiduciary Funds (Discrete)			
Public Employees' Retirement Fund	1,774	(3,847)	**(2,073)**
State Teachers' Retirement Fund	3,847	(1,774)	**2,073**
	$ 8,375,642	$ (8,375,642)	**$ (0)**

C. Taxes Receivable/Tax Refunds Payable

Taxes Receivable/Tax Refunds Payable as of year end, including the applicable allowances for uncollectible accounts, are as follows:

	Governmental Activities			**Business-type Activites**	
	General Fund	**Special Revenue Funds**	**Capital Projects Funds**	**Enterprise Funds**	**Total Primary Government**
Income taxes	$ 853,498	$ -	$ -	$ -	**$ 853,498**
Sales taxes	281,252	290,240	-	-	**571,492**
Fuel taxes	-	108,662	-	-	**108,662**
Gaming taxes	-	2,221	-	-	**2,221**
Unemployment - employers' contributions	-	-	-	22,734	**22,734**
Inheritance taxes	29,745	-	-	-	**29,745**
Alcohol and tobacco taxes	27,686	3,642	1,553	-	**32,881**
Insurance taxes	4,476	-	-	-	**4,476**
Financial institutions taxes	-	50,329	-	-	**50,329**
Other taxes	6,385	178,109	-	-	**184,494**
Total taxes receivable	1,203,042	633,203	1,553	22,734	**1,860,532**
Less allowance for uncollectible accounts	(178,131)	(102,278)	(50)	-	**(280,459)**
Net taxes receivable	**$ 1,024,911**	**$ 530,925**	**$ 1,503**	**$ 22,734**	**$ 1,580,073**
Tax refunds payable	**$ 56,301**	**$ 5,593**	**$ -**	**$ -**	**$ 61,894**

D. Capital Assets

Capital asset activity for governmental activities for the year ended June 30, 2003, was as follows:

Primary Government – Governmental Activities

Governmental Activities:	Balance, July 1, As restated	Increases	Decreases	Balance, June 30
Capital assets, not being depreciated:				
Land	$ 1,067,188	$ 44,771	$ (235)	$ 1,111,724
Infrastructure	7,459,987	12,305	(5,635)	7,466,657
Construction in progress	192,711	175,881	(65,505)	303,087
Total capital assets, not being depreciated	8,719,886	232,957	(71,375)	8,881,468
Capital assets, being depreciated:				
Buildings and improvements	2,126,971	33,150	(10,410)	2,149,711
Furniture, machinery, and equipment	273,134	23,888	(11,564)	285,458
Infrastructure	14,235	-	-	14,235
Total capital assets, being depreciated	2,414,340	57,038	(21,974)	2,449,404
Less accumulated depreciation for:				
Buildings and improvements	(677,961)	(51,280)	7,206	(722,035)
Furniture, machinery, and equipment	(154,342)	(21,255)	8,155	(167,442)
Infrastructure	(11,457)	(326)	-	(11,783)
Total accumulated depreciation	(843,760)	(72,861)	15,361	(901,260)
Total capital assets being depreciated, net	1,570,580	(15,823)	(6,613)	1,548,144
Governmental activities capital assets, net	$ 10,290,466	$ 217,134	$ (77,988)	$ 10,429,612

Primary Government – Business-Type Activities

Business-type Activities:	Balance, July 1, As restated	Increases	Decreases	Balance, June 30
Capital assets, not being depreciated:				
Land	$ 28,213	$ -	$ -	$ 28,213
Infrastructure	180,331	-	-	180,331
Construction in progress	2,858	3,904	(136)	6,626
Total capital assets, not being depreciated	211,402	3,904	(136)	215,170
Capital assets, being depreciated:				
Buildings and improvements	74,132	161	(80)	74,213
Furniture, machinery, and equipment	43,576	7,815	(1,508)	49,883
Total capital assets, being depreciated	117,708	7,976	(1,588)	124,096
Less accumulated depreciation for:				
Buildings and improvements	(46,217)	(1,655)	42	(47,830)
Furniture, machinery, and equipment	(33,969)	(3,296)	1,498	(35,767)
Total accumulated depreciation	(80,186)	(4,951)	1,540	(83,597)
Total capital assets being depreciated, net	37,522	3,025	(48)	40,499
Business-type activities capital assets, net	$ 248,924	$ 6,929	$ (184)	$ 255,669

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:		
General government	$	27,455
Public safety		17,934
Health		3,181
Welfare		5,002
Conservation, culture and development		8,585
Education		105
Transportation		11,737
Total depreciation expense - governmental activities	$	73,999
Business-type activities:		
Toll Roads	$	3,099
State Revolving Fund		861
State Lottery Commission		1,479
Other enterprise funds		372
Total depreciation expense - business-type activities	$	5,811

Major Discretely Presented Component Units - Governmental and Proprietary

Capital Assets (in thousands)	**Balance, July 1, As restated**	**Increases**	**Decreases**	**Balance, June 30**
Capital assets, being depreciated:				
Buildings and improvements	$ 57	$ -	$ -	$ 57
Furniture, machinery, and equipment	1,543	24	-	1,567
Total capital assets, being depreciated	1,600	24	-	1,624
Less accumulated depreciation for:				
Buildings and improvements	(50)	(8)	-	(58)
Furniture, machinery, and equipment	(1,268)	(194)	-	(1,462)
Total accumulated depreciation	(1,318)	(202)	-	(1,520)
Total capital assets being depreciated, net	282	(178)	-	104
Business-type activities capital assets, net	$ 282	$ (178)	$ -	$ 104

Major Discretely Presented Component Units - Colleges and Universities

Capital Assets (in thousands)	Balance, July 1, As restated	Increases	Decreases	Balance, June 30
Capital assets, not being depreciated:				
Land	$ 63,132	$ 41	$ (37)	$ 63,136
Art & museum objects	53,135	4,579	-	57,714
Construction in progress	173,725	151,028	(51,439)	273,314
Total capital assets, not being depreciated	289,992	155,648	(51,476)	394,164
Capital assets, being depreciated:				
Land improvements	55,811	3,656	(21)	59,446
Buildings and improvements	2,959,977	132,546	(87)	3,092,436
Furniture, machinery, and equipment	1,024,184	113,810	(256,870)	881,124
Infrastructure	148,104	3,121	-	151,225
Total capital assets, being depreciated	4,188,076	253,133	(256,978)	4,184,231
Less accumulated depreciation for:				
Land improvements	(36,750)	(2,432)	-	(39,182)
Buildings and improvements	(1,227,166)	(74,242)	32	(1,301,376)
Furniture, machinery, and equipment	(597,457)	(85,887)	188,709	(494,635)
Infrastructure	(97,175)	(5,929)	15	(103,089)
Total accumulated depreciation	(1,958,548)	(168,490)	188,756	(1,938,282)
Total capital assets being depreciated, net	2,229,528	84,643	(68,222)	2,245,949
Business-type activities capital assets, net	$ 2,519,520	$ 240,291	$ (119,698)	$ 2,640,113

E. Leases

Investment in Direct Financing Lease
The Indiana Transportation Finance Authority (ITFA) Airport Facilities Revenue Bonds and the ITFA Aviation Technology Center Lease Bonds have investments in direct financing leases with the Indianapolis Airport Authority.

The future minimum lease receipts together with the amounts representing principal and interest are as follows:

	Business-type Activities		
Year Ending, June 30	Principal	Interest	Total
2004	$ 9,230	$ 11,531	$ 20,761
2005	10,445	10,949	21,394
2006	11,485	10,288	21,773
2007	12,165	9,587	21,752
2008	12,820	8,914	21,734
2008-2013	75,800	32,428	108,228
2013-2018	80,210	9,408	89,618
Total	$ 212,155	$ 93,105	$ 305,260

Operating Leases
The State leases building and office facilities and other equipment under non-cancelable operating leases. Total payments for such leases with aggregate payments of $20,000 or more were $38.1 million for the year ended June 30, 2003. A table of future minimum lease payments (excluding executory costs) is presented below.

Capital Leases Liabilities
The State has entered into various lease agreements with aggregate payments of $20,000 or more to finance the acquisition of buildings, land and equipment. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the inception date in the government wide statements.

The future minimum lease obligations, the net present value of these minimum lease payments as of June 30, 2003 and the assets acquired through capital lease during the fiscal year are as follows:

Future minimum lease payments

Year ending June 30,	Operating leases	Capital leases Governmental Activities
2004	$ 35,845	$ 4,155
2005	29,840	3,543
2006	24,433	3,120
2007	19,490	2,289
2008	16,734	2,294
2009-2013	45,871	7,292
2014-2018	14,204	-
2019-2023	2,806	-
2024-2028	750	-
2029-2033	400	-
Total minimum lease payments (excluding executory costs)	**$ 190,373**	**22,693**
Less: Amount representing interest		(4,173)
Present value of future minimum lease payments		**$ 18,520**

Assets acquired through capital lease

Machinery and equipment	$ 156
less accumulated depreciation	(59)
	$ 97

Discretely Presented Component Units

The Indiana Development Finance Authority, a discretely presented component unit, has future obligations under an operating lease which total $0.3 million.

Purdue University, a significant discretely presented component unit, also is the lessee for capital leases totaling $146.9 million, of which $56.9 million represents interest.

Indiana University's liability for capital leases is $20.6 million, of which $6.0 million represents interest.

Indiana University has future obligations under operating leases of $46.5 million.

F. Long-Term Obligations

Changes in long-term obligations for the primary government for the year ended June 30, 2003 were as follows:

Changes in Long-Term Obligations	Balance, July 1, as Restated	Increases	Decreases	Balance, June 30	Amounts Due Within One Year	Amounts Due Thereafter
Governmental activities:						
Compensated absences	$ 121,335	$ 68,126	$ (69,731)	$ 119,730	$ 71,699	$ 48,031
Construction retention	4,878	2,099	(5,742)	1,235	-	1,235
Net pension obligation	662	487	-	1,149	-	1,149
Revenue bonds/notes payable	1,600,865	290,457	(148,499)	1,742,823	52,775	1,690,048
Salaries and benefits payable - SIRP	-	8,724	-	8,724	4,364	4,360
Amount due federal government	153	144	(2)	295	-	295
Capital leases	19,294	5,671	(6,449)	18,516	59	18,457
	$ 1,747,187	$ 375,708	$ (230,423)	$ 1,892,472	$ 128,897	$ 1,763,575
Business-type activities:						
Compensated absences	$ 269	$ 147	$ (138)	$ 278	$ 145	$ 133
Claims liability	13,464	8,875	(1,973)	20,366	1,826	18,540
Accrued prize liability	95,211	8,509	(1,505)	102,215	44,095	58,120
Revenue bonds/notes payable	448,264	2,712	(19,992)	430,984	21,701	409,283
Due to component unit	1,026,925	147,546	(95,837)	1,078,634	21,370	1,057,264
Other	2,316	99	(663)	1,752	341	1,411
	$ 1,586,449	$ 167,888	$ (120,108)	$ 1,634,229	$ 89,478	$ 1,544,751

Changes in long-term obligations for the major discretely presented component units for the year ended June 30, 2003 are as follows:

Changes in Long-Term Obligations	Balance, July 1, as Restated	Increases	Decreases	Balance, June 30	Amounts Due Within One Year	Amounts Due Thereafter
Business-type activities:						
Compensated absences	$ 34,064	$ 33,454	$ 32,640	$ 34,878	$ 20,221	$ 14,657
Revenue bonds/notes payable	3,865,239	2,281,830	954,430	5,192,639	1,508,305	3,684,333
Capital leases	103,048	12,317	10,806	104,559	6,130	98,429
Other	105,377	10,684	13,462	102,599	29,829	72,770
	$ 4,107,728	$ 2,338,285	$ 1,011,338	$ 5,434,675	$ 1,564,485	$ 3,870,190

Long-term obligations of the governmental activities consists of revenue bond obligations of the Indiana Transportation Finance Authority Highway Revenue Bonds, the State Office Building Commission and Recreational Development Commission. Other long term obligations of governmental activities include capital lease obligations of governmental funds as presented in Section IV(E), net pension obligations for the Prosecuting Attorney's Retirement Fund and Legislators' Retirement System as presented in Section V(I), construction retention, amount due the federal government, compensated absence obligations, and salaries and benefits payable because of the State Incentive Retirement Plan. The General Fund typically has been used to liquidate other long-term liabilities.

Long-term obligations of the business-type activities consists of claims liability of the Indiana Residual Malpractice Insurance Authority. It also includes compensated absences, revenue bonds issued by the Indiana Transportation Finance Authority Aviation Technology, the Indiana Transportation Finance Authority Airport Facilities, and the Indiana Transportation Finance Authority Toll Roads. The State Revolving Fund has obligations due to both a discretely presented component unit and the Indiana Bond Bank. Long-term obligations also includes prize liability accrued by the Indiana State Lottery Commission. These entities have been established by statute as corporate and politic units with the separate legal authority to finance certain essential governmental functions.

Long-term obligations of the significant discretely presented component units consists of bonds issued or backed by the Indiana Housing Finance Authority, the Indiana Development Finance Authority, the Indiana Bond Bank, Indiana University, and Purdue University. It also includes capital leases of Indiana University and Purdue University. As with the entities in the proprietary funds, these entities have the separate legal authority to finance certain essential governmental functions.

Revenue bonds are issued by entities established by statute as corporate and politic units with the separate legal authority to finance certain essential governmental functions. Income from the acquired or constructed assets is used to pay debt service.

Governmental Activities

Indiana Transportation Finance Authority (ITFA) Highway Revenue Bonds – In 1988 the Transportation Finance Authority was granted the power to construct, acquire, reconstruct, improve and extend Indiana highways, bridges, streets and roads (other than the East-West Toll Road) from proceeds of highway revenue bonds issued by the Authority. The bonds are paid solely from and secured exclusively by the pledge of revenues from leases to the Indiana Department of Transportation of completed highway revenue bond projects. Bonds issued are corporate obligations of ITFA and are payable solely from and secured exclusively by the pledge of revenues from the leases of the projects financed out of the bond proceeds, the proceeds of such bonds and the investment earnings thereon. ITFA has no taxing power and any indebtedness incurred by ITFA does not constitute an indebtedness of the State within the meaning or application of any constitutional provision or limitation.

On November 15, 2000, ITFA issued Highway Revenue Bonds, Series 2000 in the par amount of $269.5 million, which included $21.9 million of refunding debt and $247.6 million of new money debt. New refunding debt service requirements required a $2.7 million increase in cash funds needed over the prior debt service requirements. The economic gain, or present value savings, on the refunding was $556,875. The primary purpose of the refunding bond issue was to level out the debt service requirements over time to increase the volume capacity for future bond issuances, as well as present value savings.

The $247.6 million new money debt is being used for the payment of construction costs for the Series 2000 projects. The refunding debt was used to refund in advance of their stated maturity dates the Series 1990A and 1993A bonds maturing from June 1, 2006 to June 1, 2011. A portion of the proceeds, $22.7 million was deposited in an escrow fund established pursuant to an Escrow Deposit Agreement between ITFA and the escrow trustee, Bank One Trust Company, N.A., and were used to purchase direct obligations of the United States of America. The initial cash deposit and interest earned thereon will pay when due the principal and interest for the Series 1990A Bonds and the Series 1993A Bonds. As of June 30, 2003, the amount of defeased debt still outstanding, but no longer considered long-term debt, was $9.7 million with total Series 1990A capital appreciation bonds maturing at $14.1 million and total Series 1993A capital appreciation bonds maturing at $9.2 million.

In June 2003, the Authority issued $150.1 million of Highway Bond anticipation Notes to provide interim financing for highway and bridge projects under the Highway Revenue Bond Program. The interest rate on the notes was 1.50 percent (yield was .95 percent), and the notes were due October 3, 2003.

Indiana State Office Building Commission - The Indiana State Office Building Commission (SOBC) was created as a public body corporate and politic by the 1953 Acts of the Indiana General Assembly. The SOBC is authorized to construct and equip such facilities as the General Assembly may authorize through the issuance of revenue bonds. The SOBC has issued debt obligations to provide funds for financing the implementation of the Indiana Government Center Master Plan and to finance acquisition costs (including design and construction costs) of the Indiana State Museum, Miami Correctional Facility, Pendleton Juvenile Correctional Facility, New Castle Correctional Facility and the Replacement Evansville State Hospital. The facilities are rented to the Indiana Department of Administration (DOA) under use and occupancy agreements.

Bonds issued by the SOBC are obligations only of the SOBC and are payable solely from and secured exclusively by the pledge of the income of the applicable facility financed. The SOBC has no taxing authority and rental payments by the DOA are subject to and dependent upon appropriations made for such purposes by the General Assembly.

The Hoosier Notes agreement provides interim financing for the acquisition and construction of the various facilities. On October 31, 2002, the Commission amended and restated the Hoosier Notes credit agreement dated February 18, 1998, which reduced the maximum advance of tax exempt commercial paper from $200 million to $150 million. On March 25, 2002, the Commission amended and restated the Hoosier Notes credit agreement and reduced the maximum advance from $250 million to $200 million effective on October 1, 2002. Borrowings outstanding under this facility at June 30, 2003 were $45.4 million, with interest computed at the LIBOR rate plus .25% or 70% of the Bank's prime lending rate. The interest rate in effect was .95% at June 30, 2003. The credit facility expires on December 31, 2005.

Pursuant to prior advance refundings, the Commission had $246.1 of defeased revenue bonds outstanding at June 30, 2003. In accordance with

generally accepted accounting principles, these amounts are not included in the accounts of the Commission.

Recreational Development Commission - The Recreational Development Commission was created in 1973 pursuant to I.C. 14-14-1, for the purpose of providing funds for projects involving Department of Natural Resources' properties. The Commission consists of five members. The Treasurer of State and the Director of the Department of Natural Resources (DNR) are members by virtue of their offices and the other three members are appointed by the Governor.

In 1987 and 1990 revenue bonds were issued to provide funds to renovate and equip Abe Martin Lodge and Turkey Run Inn and to construct cabins at Harmonie and Whitewater State Parks. Lease agreements with the Indiana Department of Natural Resources State Park Inns are used to repay the bond issues. The buildings and land will then be deeded back to the State of Indiana.

In 1994, the Commission executed three Escrow Deposit Agreements with bank trustees for the purpose of refunding revenue debentures issued in 1987 and 1990. A portion of the proceeds from the 1994A Revenue Bonds was used to fund the redemption.

On January 1, 1997, the Commission issued $6.6 million of Series 1997 Revenue Bonds with interest rates from 4% to 5.35% to finance a golf course at Ft. Harrison State Park.

On December 19, 2002, the Commission issued Revenue Bonds, Series 2002, with a face value of $14.4 million to finance the cost of the development of park facilities at Prophetstown State Park, located near Battle Ground, Indiana, in Tippecanoe County. The project will include construction of picnic areas, campground sites, trails, a gatehouse and maintenance facilities. Proceeds from the bond issue were also used to refund, in advance of their stated maturing dates, a portion of the 1994A Series Revenue Bonds. At June 30, 2003, outstanding revenue bonds of $10.2 million are considered to be defeased. The advance refunding was undertaken to reduce total debt service requirements. Cash funds needed for the new refunding debt decreased by $477,016 from that needed under the prior debt service requirements. The economic gain, or present value savings, on the refunding was $342,252.

Business-type Activities*:*

Indiana Transportation Finance Authority – East-West Toll Roads – The Indiana Transportation Finance Authority (ITFA) is the successor to the Indiana Toll Finance Authority created in 1983 pursuant to IC 8-9.5. ITFA is a body both corporate and politic and, although separate from the State, the exercise by ITFA of its powers constitutes an essential government function. ITFA's duties consist of the construction, reconstruction, improvement, maintenance, repair and operation of all toll roads and bridges in the state. To exercise its duties, ITFA may issue bonds under statute.

Bonds issued are corporate obligations of ITFA and are payable solely from and secured exclusively by the pledge of the revenues from the leases to the Indiana Department of Transportation of the projects financed out of the bond proceeds and the proceeds of such bonds and the investment earnings thereon. ITFA has no taxing power and any indebtedness incurred by ITFA does not constitute an indebtedness of the State within the meaning or application of the any constitutional provision or limitation.

During September 1985, ITFA issued $256.9 million of Indiana Toll Finance Authority Toll Road Revenue Refunding Bonds, Series 1985 for the refunding of the outstanding portion of the $259.5 million Indiana Toll Commission East-West Toll Road Revenue Bonds, 1980 Series. At June 30, 2003, the principal amount of the Series 1980 bonds, which have been defeased in substance, was $108.0 million.

During October 1993, ITFA issued $76.1 million of Indiana Transportation Finance Authority Taxable Toll Road Lease Revenue Refunding Bonds, Series 1993 (Series 1993 Bonds) to provide resources to purchase U.S. government securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of a portion of the outstanding Indiana Transportation Finance Authority Taxable Toll Road Lease Revenue Refunding Bonds, Series 1985. The Series 1993 Bonds are secured by the renewable lease between ITFA and the Indiana Department of Transportation (INDOT).

As a result, the refunded portion of the Series 1985 Bonds are not reported as a debt of the ITFA since repayment of principal and interest will be from escrowed funds and earnings. The advance refunding of the Series 1985 Bonds resulted in a difference between the reacquisition price and the net carrying amount of the old debt of $14.2 million.

This difference is being charged to interest expense in the amount of $1.2 million through the year 2005 using the straight-line method. Accordingly, $2.4 million through the period ended June 30, 2003 has

been reported in the accompanying financial statements as a deduction from bonds payable. This advance refunding was undertaken to reduce total debt service payments over the next 11 years by $9.6 million and to obtain an economic gain (difference between the present values of the old and new debt service payments) of $7.1 million.

During October 1996, ITFA issued $134.8 million of Indiana Transportation Finance Authority Toll Road Lease Revenue Refunding Bonds, Series 1996 (Series 1996 Bonds), to refund a portion of the Indiana Toll Finance Authority Toll Road Revenue Refunding Bonds, Series 1987. Proceeds from the sale of the Series 1996 Bonds were used to purchase assets placed in an irrevocable trust that will be used to pay principal and interest on the Series 1987 Bonds when due. The Series 1996 Bonds are secured by the renewable lease between ITFA and INDOT.

The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of $15.5 million. The difference is being charged to interest expense in the amount of $1.25 million for the year ended June 30, 2003, using the effective interest rate method over the life of the bond. Accordingly $5.7 million through the year ended June 30, 2003, has been reported in the accompanying financial statements as a deduction from bonds payable. This advance refunding was undertaken to reduce total debt service payments over the next 16 years by $8.1 million and to obtain an economic gain (difference between the present values of the old and new debt service payments) of $4.7 million.

At June 30, 2003, the ITFA was in compliance with all material requirements and restrictions contained in the Trust Indentures.

Indiana Transportation Finance Authority (ITFA) Airport Facilities Revenue Bonds – In 1991, the General Assembly authorized, under Indiana Code 8-21-12, to finance improvements related to an airport or aviation related property or facilities, including the acquisition of real estate, by borrowing money and issuing revenue bonds. Any bonds issued are corporate obligations of ITFA and are payable solely from and secured exclusively by the pledge of revenues from the leases of the projects financed out of the bond proceeds, the proceeds of such bonds and the investment earnings thereon.

ITFA has no taxing power and any indebtedness incurred by ITFA does not constitute an indebtedness of the State within the meaning or application of any constitutional provision or limitation.

On February 11, 1992, the Transportation Finance Authority issued bonds in the principal amount of $201.3 million. Additionally, Series 1995A parity bonds in the amount of $29.7 million were issued May 15, 1995. The bonds were issued to finance certain improvements related to the United Airlines maintenance facility at Indianapolis International Airport. These bonds are payable from rental revenues as may be appropriated by the Indiana General Assembly for that purpose.

On December 1, 1996, ITFA issued Airport Facilities Lease Revenue Refunding Bonds, Series 1996A, in the amount of $137.8 million with interest rates from 4.5% to 6%. The refunding debt was used to refund in advance of their stated maturity dates the Series 1992A bonds maturing on November 1, 2006 through November 1, 2014. A portion of the proceeds, $136.9 million, was deposited in an escrow fund established pursuant to an Escrow Deposit Agreement between ITFA and the escrow trustee, Bank One, N.A., and was used to purchase direct obligations of United States of America. The initial cash deposit and interest earned thereon will pay when due the principal and interest on the remaining bonds. During fiscal year 2003 remaining bonds were paid in full. As of June 30, 2003, there was no defeased debt on Series 1992A still outstanding in a separate escrow account.

Indiana Transportation Finance Authority (ITFA) Aviation Technology Center Lease Bonds - On February 27, 2002, ITFA issued Aviation Technology Center Lease Revenue Refunding Bonds, Series 2002 with a principal amount of $10.1 million. The refunding debt was used to refund in advance of their stated maturity dates all outstanding Series 1992A bonds. A portion of the proceeds totaling $9.9 million, as well as funds available from the Series 1992A bonds totaling $660,717, was deposited in an escrow fund established pursuant to an Escrow Deposit Agreement between ITFA and the escrow trustee, Fifth Third Bank, Indiana, and was used to purchase direct obligations of United States of America. The initial cash deposit and interest earned thereon will pay when due the principal and interest on the remaining bonds.

The difference in cash flows required between the prior debt service requirements and new refunding debt service requirements resulted in cash flow savings of $780,582. The economic gain, or present value savings, was $660,851. During fiscal year 2003 remaining bonds were paid in full. As of June 30, 2003, there was no defeased debt on Series 1992A still outstanding in a separate escrow account.

The following is a summary of long term-debt including revenue bonds outstanding at June 30, 2003.

Summary of Long-Term Debt including current portion (in thousands)	Interest Rates Range	Maturity Range	Annual Payment Range	Amount
Governmental Activities				
Recreational Development Commission	2.10% - 6.125%	2004 - 2019	$1,405 - 2,976	$ 26,670
ITFA Highway Revenue Bonds	4.25% - 7.40%	2004 - 2026	$20,525 - 42,675	831,651
Indiana State Office Building Commission	2.30% - 7.50%	2004 - 2022	$264 - 13,600	884,502
				$ 1,742,823
Business-type Activities:				
State Lottery Commission	N/A	2004 - 2027	$40 - 2,526	$ 102,215
ITFA East-West Toll Road	3.90% - 9.50%	2004 - 2016	$12,380 - 26,200	218,738
ITFA Airport Facilities Bonds	4.50% - 6.50%	2004 - 2018	$8,965 - 19,890	202,060
ITFA Aviation Technology Center Bonds	2.45% - 5.00%	2004 - 2018	$265 - 920	10,095
State Revolving Fund	3.50% - 7.00%	2004 - 2024	$27,667 - 102,427	1,078,634
Inns and Concessions	5.60%	2004	$91	91
				$ 1,611,833

State Lottery Commission Accrued Prize Liability – Accrued prize liability includes an estimate of unclaimed instant and on-line game winners and future television game show prizes awarded on shows committed to as of June 30, 2003, as well as installment amounts payable to past instant, on-line and game show winners. Installment prizes are recorded at a discount based on interest rates that range from approximately 2% to 6% and reflect the interest earned by the investments held to fund the related liabilities. At June 30, 2003, the accrued prize liability was $102.2 million including $44.1 million in current prize liability and $58.1 million in long-term prize liability.

Revenue bond debt service and accrued prize liability requirements to maturity including interest are as follows:

	Governmental Activities		
Year Ending, June 30	Principal	Interest	Total
2004	$ 202,890	$ 83,610	$ 286,500
2005	101,470	80,009	181,479
2006	59,497	77,022	136,519
2007	66,305	73,524	139,829
2008	69,522	70,109	139,631
2009-2013	395,439	289,993	685,432
2014-2018	430,295	171,757	602,052
2019-2023	338,890	77,572	416,462
2024-2028	121,320	10,220	131,540
Premium/(discount)	(42,805)	-	(42,805)
Total	$ 1,742,823	$ 933,816	$ 2,676,639

	Business-type Activities		
Year Ending, June 30	Principal	Interest	Total
2004	$ 87,166	$ 81,894	$ 169,060
2005	55,728	79,139	134,867
2006	61,888	76,384	138,272
2007	65,983	73,214	139,197
2008	70,723	69,838	140,561
2009-2013	435,095	290,219	725,314
2014-2018	493,060	158,652	651,712
2019-2023	339,621	47,502	387,123
2024-2028	32,151	792	32,943
Premium/(discount)	(29,581)	-	(29,581)
Total	$ 1,611,834	$ 877,634	$ 2,489,468

Long-Term Debt of the Significant Discretely Presented Component Units is as follows:

Indiana Housing Finance Authority -- In 1978, the Indiana Housing Finance Authority (the Authority) was granted the power to issue bonds for the purpose of financing residential housing for persons and families of low and moderate incomes. These bonds are special obligations of the authority and are payable solely from the revenues and assets pledged. Various series of bonds have been issued with an original amount of $1,478 million with interest rates ranging from 1.35% to 7.85%. The total outstanding debt associated with these bond issues as of December 31, 2002 was $998 million.

During 2002, the Single Family Mortgage Program Fund issued 2002 Bond Series with a face value of $249.9 million and interest rates varying from 1.35% to 5.55%. The Single Family Mortgage Program Fund provides for the purchase of mortgage loans made to eligible borrowers for owner-occupied housing.

Indiana Bond Bank – The Bond Bank is an instrumentality of the State of Indiana but is not a state agency and has no taxing power. It has separate corporate and sovereign capacity and is composed of the Treasurer of State (who serves as Chairman of the Board, ex officio), the Director of the Department of Financial Institutions (who serves as director, ex-officio), and five directors appointed by the Governor.

The Bond Bank is authorized to buy and sell securities for the purpose of providing funds to Indiana qualified entities. To achieve its purpose, the Bond Bank has issued various bonds and notes payable. The bonds and notes payable were issued under indentures of

trust. Each indenture requires the maintenance of debt service reserve accounts. Total outstanding debt as of June 30, 2003 was $3,204 million with interest rates ranging from 1.10% to 7.0%. Assets held in debt service reserve accounts are included in cash, cash equivalents, and investments and amounted to $18.2 million.

In January 2000, the Bond Bank issued its Special Program Series 2000A Refunding Bonds in the amount of $32.9 million. Proceeds from this issue and certain related investments were used to defease the Special Program Bonds Series 1985B, 1986B, 1986C, 1986E, 1987A, 1989C, 1990A, 1990B, and Special Loan Program Bonds Series 1988A, 1988B, 1988C, and 1989A in entirety. The difference between the amount deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the defeased debt and the net carrying amount of the defeased debt resulted in a deferred cost on defeasance of $1.2 million, which is being amortized over the life of the Special Program Series 2000A Refunding Bonds. However, the issuance of the Special Program Series 2000A Refunding Bonds will reduce the Bond Bank's aggregate debt service payments by $17.7 million over the 20-year period extending through February 2020, resulting in an economic gain (the difference between the present values of the old and new debt service payments) of approximately $4.9 million.

Special Program Bonds Series 1985A, 1989A, 1991B 1992A, and 1992B are considered to have been defeased and have been removed from the financial statements and in total have remaining outstanding principal balances of approximately $46.9 million at June 30, 2003.

In April 2002, the Bond Bank issued Special Program Bond Series 2002B with a face amount of $5.8 million with interest rates based on the lowest available rate in the interest period (weekly, monthly, quarterly, annually, or fixed) as selected by the qualified entity, not to exceed 10%. The interest rate was 1.35% at June 30, 2003.

In July 2002, the Bond Bank issued its Special Program Bond Series 2002D with a face amount of $60.0 million at interest rates ranging from 3.0% to 5.375%. Proceeds from this issue were used to refund and redeem the Special Hospital Program Bonds, Series 1992A.

The transaction will reduce the Bond Bank's aggregate debt service payments by $4.7 million over the 20-year period extending through April, 2023, resulting in an economic gain (the difference between the present values of the old and new debt service payments) of approximately $1.8 million.

In July 2002, the Bond Bank issued its Advance Funding Program Notes Series 2002B with a face amount of $19.8 million at an interest rate of 1.6%. This money goes out to all participants who want to receive their funds ahead of the Advance Funding Program Notes. These Advanced Funding Interim Notes are repaid when the Advance Funding Program Notes are issued.

In September 2002, the Bond Bank issued its Special Program Bond Series 2002E in the amount of $10.2 million at interest rates ranging from 1.65 to 5.25%.

In September 2002, the Bond Bank issued School Severance Program Bonds Series 2 with a face amount of $32.3 million at interest rates ranging from 1.98% to 5.72%.

In December 2002, the Bond Bank issued School Severance Program Bonds Series 3 with a face amount of $73.0 million at interest rates ranging from 1.65% to 5.85%.

In December 2002, the Bond Bank issued its State Revolving Fund Program Bonds, Series 2002A in the amount of $75.1 million at interest rates ranging from 1.86 to 4.84%. Proceeds from this issue were used to refund and redeem the State Revolving Fund Program Bonds, Series 1993. The transaction will reduce the Bond Bank's aggregate debt service payments by $12.0 million over the 20-year period extending through February, 2023, resulting in an economic gain (the difference between the present values of the old and new debt service payments) of approximately $4.0 million.

In December 2002, the Bond Bank issued its State Revolving Fund Program Bonds, Series 2002B in the amount of $66.7 million at interest rates ranging from 4.0 to 5.375%.

In January 2003, the Bond Bank issued its Special Program Bond Series 2003B in the amount of $8.9 million at interest rates ranging from 2.0 to 5.0%.

In January 2003, the Bond Bank issued Advance Funding Program Notes Series 2003 Interim with a face amount of $866.4 million and an interest rate of 2.0%.

In February 2003, the Bond Bank issued its Special Program Notes Series 2003A in the amount of $19.0 million at interest rates ranging from 1.6 to 2.0%.

In March 2003, the Bond Bank issued its Special Program Bond Series 2003A in the amount of $40.4 million at interest rates ranging from 2.75 to 5.25%. In May 2003, the Bond Bank issued its Reassessment

Assistance Program Bonds, Series 2003 in the amount of $116.6 million at an interest rate of 1.75%.

In June 2003, the Bond Bank issued Advance Funding Program Notes Series 2003 Midyear with a face amount of $349.2 million and an interest rate of 1.25%.

In June 2003, the Bond Bank issued School Severance Program Bonds Series 4 with a face amount of $50.0 million at interest rates ranging from 1.47% to 5.07%.

In June 2003, the Bond Bank issued its Special Program Bond Series 2003C in the amount of $10.4 million at interest rates ranging from 2.0 to 5.0%.

In June 2003, the Bond Bank issued its Special Program Bond Series 2003D in the amount of $27.5 million at interest rates ranging from 3.0 to 5.0%.

Colleges and Universities -- Both Indiana University and Purdue University are authorized by acts of the Indiana General Assembly to issue bonds for the purposes of financing construction of student union buildings, halls of music and housing, athletic, parking, hospital, academic facilities and utility systems.

Indiana University
The outstanding long-term indebtedness from bonds and notes at June 30, 2003 was $548.1 million with interest rates ranging from 0.95% to 7.25%.

On March 6, 2003, Indiana University Student Fee Bonds, Series O were issued in the amount of $111.5 million. This series includes funds for a partial advance refunding of Indiana University Student Fee Bonds, Series K and Series M. The true interest cost for the entire bond issue was 4.26%. Cash flows needed for the new refunding debt decreased by $2,105,110 from that needed under the prior debt service requirements. The economic gain, or present value savings, on the refunding was $2,050,660.

In prior years, Indiana University has defeased bond issues either with cash or by issuing new debt. U.S. Treasury obligations have been purchased in amounts sufficient to pay principal and interest payments when due, through maturity, and have been deposited in irrevocable trust with the trustee. Neither the defeased bonds nor the related trusts are reflected on the University's books.

The total amount of defeased debt outstanding at June 30, 2003 was $18.9 million.

Purdue University
The outstanding long-term indebtedness from bonds and notes at June 30, 2003 was $380.6 million with interest rates ranging from 2.0% to 6.0%.

On April 8, 2003, Student Facilities System Revenue Bonds, Series 2003A bonds were issued in the amount of $95.0 million. This series includes funds for the refunding of the Dormitory System Revenue Bonds, Series 1993, the Dormitory System Tax-Exempt Commercial Paper Notes, Series 2000, and for the continuation of the Cary Quad renovation and the Food Service Consolidation. As of June 30, 2003, the balance outstanding on these bonds was $95.0 million. The interest rates were 4.0% to 5.38%. Cash flows needed for the new refunding debt decreased by $2,566,396 from that needed under the prior debt service requirements. The economic gain, or present value savings, on the refunding was $1,975,607.

On May 29, 2003, Student Facilities System Revenue Bonds, Series 2003B bonds were issued in the amount of $24.4 million. This series was issued to finance student housing facilities on the Fort Wayne campus. As of June 30, 2003, the balance outstanding on these bonds was $24.4 million. The interest rates were 2.0% to 5.0%.

In prior years, Purdue University has defeased bond issues either with cash or by issuing new debt. U.S. Treasury obligations have been purchased in amounts sufficient to pay principal and interest payments when due, through maturity, and have been deposited in irrevocable trust with the trustee. Neither the defeased bonds nor the related trusts are reflected on the University's books. The total amount of defeased debt outstanding at June 30, 2003 was $115.7 million.

G. Prior Period Adjustments and Reclassifications

For the fiscal year ended June 30, 2003, certain changes have been made to the financial statements to more appropriately reflect financial activity of the State of Indiana. These restatements are reflected in the beginning net assets in the government-wide statement of activities.

Change in Capitalization Threshold
For discretely presented component units, there is a reduction of $61.6 million in net assets because the capitalization threshold for capital assets was increased from $1,000 to $5,000 for Indiana University. There is also a reduction of $16.0 million in net assets because the capitalization threshold for capital assets was increased from $500 to $5,000 for Ball State University.

Other Changes:

Prior Period Adjustment

For the government wide balance sheet, there is a $142.7 million dollar increase in pension net assets. These were not included with the adoption of GASB Statement No. 34 in FY 2001-2002, and should have been.

For the government wide balance sheet, there is an increase of $106.3 million in net assets for capital assets. This was the result of several State agencies not capitalizing fixed assets acquired prior to June 30, 2002 by that date.

For Internal Service Funds, there is an increase of $18.2 million in net assets for the State Police Benefit Fund. This fund had a deficit net assets of this amount at the end of FY 2002. For FY 2003 it was determined that this deficit was being double counted, in the Governmental Fund statements and in the Internal Service Fund statements.

For Internal Service Funds there is an increase of $4.3 million in net assets in the Administrative Services Revolving Fund due to an accounting error.

For discretely presented component units, there is a decrease in net assets of $3.3 million because certain external grant funds received by Ball State University during the fiscal year ended June 30, 2001, were recorded as revenue in accordance with accepted practice at that time. Under current practice these funds would have been recorded as deferred income and advances on long-term grants.

Reclassification of funds

The following reclassifications took place to the Hoosier Lottery Commission, an enterprise fund: $24.6 million was reclassified from the Build Indiana, $7.5 million from the Teachers Retirement Fund (TRF) and $7.5 million from the Public Employees Retirement Fund (PERF). This resulted in a reclassification to the Hoosier Lottery Commission of $39.6 million. In the past, the Hoosier Lottery Commission had been accruing transfers as a liability to the Build Indiana Fund, TRF and PERF. The State had been accruing a receivable for these transfers.

The Indiana Transportation Finance Authority (ITFA) Aviation Technology Bonds Fund and the ITFA Airport Facilities Bond Fund were reclassified from governmental funds to enterprise funds. This resulted in a decrease of net assets $2.0 million for governmental activities and an increase in net assets of the same amount for business type activities on the government wide statements.

For Fiduciary component units, there was a reclassification of $7.5 million from two agency funds to PERF funds. That increased beginning net assets by $7.5 million.

The following schedule reconciles June 30, 2002 net assets as previously reported, to beginning net assets, as restated, to include the adoption of new pronouncements:

	Governmental Activities	Business-Type Activities	Fiduciary Funds	All Discretely Presented Component Units
June 30, 2002, fund balance/retained earnings/net assets as reported	$ 12,320,675	$ 2,095,481	$ 794,186	$ 20,940,420
Prior period adjustments:				
Changes in accounting principle:				
Change in policy for accrued vacation time	-	-	-	482
Change in capitalization threshold	-	-	-	(77,577)
Correction of errors	273,353	(162)	-	(2,576)
Reclassifications of funds	(27,742)	41,278	-	(7,520)
Balance July 1, 2002 as restated	$ 12,566,286	$ 2,136,597	$ 794,186	$ 20,853,229

V. OTHER INFORMATION

A. Risk Management

The State of Indiana is exposed to various risks of loss. This includes damage to property owned by the agencies, personal injury or property damage liabilities incurred by a State officer, agent or employee, errors, omissions and theft by employees, certain employee health benefits, employee death benefits, and unemployment and worker's compensation costs for State employees.

The State records an expenditure for any loss as the liability is incurred or replacement items are purchased. The State does purchase immaterial amounts of commercial insurance. Settlements related to commercial insurance have not exceeded coverage in the past three fiscal years.

The State does have risk financing activity for the state employees' disability, certain state employees' health benefits, and certain health, disability and death benefits for State Police officers. These are reported in three individual Internal Service Funds.

The state employees' disability program is financed partially by state employees through payroll withholdings and by the funds from which employees are paid. The employees' health benefits and the State Police traditional health plan are funded by the employees who have selected certain health care benefit packages and the funds from which those employees are paid. (An insurance carrier does provide claims administration services for the health insurance programs.)

Located below is the table of claim liabilities. The liabilities are not maintained in the accounting records of the State. The claim liabilities for the health insurance programs and the State Disability fund were estimated based on the historical experience rate of claims paid that were for service dates incurred during a prior fiscal year. The surplus retained earnings in these funds are reserved for future catastrophic losses.

	State Police Health Insurance Fund	State Employees' Health Insurance Fund	State Disability Fund	Total
2003				
Unpaid Claims, July 1 As Restated	$ 1,900	$ 9,750	$ 5,092	**$ 16,742**
Incurred Claims and Changes in Estimate	19,803	107,969	26,288	**154,060**
Claims Paid	(19,996)	(102,965)	(26,283)	**(149,244)**
Unpaid Claims, June 30	**$ 1,707**	**$ 14,754**	**$ 5,097**	**$ 21,558**
2002				
Unpaid Claims, July 1	$ 1,600	$ 9,000	$ 7,119	**$ 17,719**
Incurred Claims and Changes in Estimate	16,476	68,425	23,815	**108,716**
Claims Paid	(16,176)	(67,675)	(25,842)	**(109,693)**
Unpaid Claims, June 30	**$ 1,900**	**$ 9,750**	**$ 5,092**	**$ 16,742**

The trustees of Indiana University and Purdue University have chosen to assume a portion of the risk of loss for their respective institutions. Each university is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; job-related illnesses or injuries to employees; health and other medical benefits provided to employees and their dependents. The universities individually handle these risks of loss through combinations of risk retention and commercial insurance. The amount of settlements did not exceed insurance coverage in the past three fiscal years. The universities' estimated liability for unpaid claims at June 30, 2003 was $43.5 million.

B. Investment in Joint Venture

To finance the construction of the Indianapolis Maintenance Center (IMC) at Indianapolis International Airport, the Authority, a City of Indianapolis/Marion County-related financing authority (the City) and the Indianapolis Airport Authority (the Airport Authority) entered into a number of agreements, including leases, providing for the acquisition, construction, equipping and financing of the IMC (collectively, the Joint Venture).

Under the Joint Venture, the Authority's undivided interest as a tenant in the IMC is determined in proportion to the money it contributes to the acquisition, construction and equipping of the IMC from proceeds of the Authority's revenue bonds issued to finance the IMC. The City's and the Airport Authority's undivided interests are established in the same way, but by reference to the amount of money they contribute to the IMC from their revenue bond proceeds.

The Authority leases its undivided interest in the IMC to the Airport Authority. Upon termination of that lease, the Airport Authority will succeed to the Authority's interest in the Joint Venture. The Airport Authority is obligated to pay the Authority lease rentals sufficient to pay the principal of and interest on the revenue bonds and additional rentals sufficient to pay Authority expenses and ground rent obligations. The Airport Authority expects to pay the lease rentals through appropriations made by the General Assembly.

Financial Statements can be obtained from the Indiana Transportation Finance Authority as noted in Note I(A).

C. Segment Information - Enterprise Funds

The State of Indiana has six major enterprise funds, which are intended to be self-supporting through user fees charged for services to the public. The Toll Roads collect fees for repayment of road construction and maintenance of roads. The ITFA Aviation Technology Bond Fund accounts for the financing of a portion of the costs of the Aviation Technology Center located at Indianapolis International Airport. The ITFA Airport Facilities Bond Fund accounts for the financing of improvements for the airport or aviation-related property or facilities, including the acquisition of real estate. The State Revolving Fund uses proceeds from bonds to assist qualified local governments in obtaining below market financing for water pollution control projects. The Unemployment Compensation Fund collects employer taxes and the federal share of unemployment compensation. Benefits are paid to eligible individuals. The State Lottery Commission provides money for various pension and educational funds, as well as for local building projects.

Four of these enterprise funds, the Toll Roads, the ITFA Aviation Technology Bond Fund, the ITFA Airport Facilities Bond Fund and the State Revolving Fund, are reported as segments. These four have debt secured by a pledged revenue stream and are externally required to be accounted for separately by their bond indentures.


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Included below is segment information for enterprise funds for the fiscal year ended June 30, 2003.

	Toll Roads	Transportation Finance Authority Aviation Technology Bonds
Type of goods or services provided	Collects tolls used to make payments on revenue bonds to finance construction of toll roads in Northern Indiana	Uses proceeds of bonds to assist airport or aviation related property or facilities referred to by the Aviation Technology Center
Condensed Statement of Net Assets		
Assets		
Current assets	$ 110,238	$ 779
Property, plant and equipment net of accumulated depreciation	241,832	-
Other assets	93,121	9,830
Total assets	**445,191**	**10,609**
Liabilities		
Current liabilities	26,040	412
Long-term liabilities	206,358	9,830
Total liabilities	**232,398**	**10,242**
Net Assets		
Invested in capital assets, net of related debt	23,094	-
Restricted	194,495	326
Unrestricted	(4,796)	41
Total net assets	**$ 212,793**	**$ 367**
Condensed Statement of Revenues, Expenses, and Changes in Net Assets		
Operating revenues		
Sales/rents/premiums	$ 6,486	$ 713
Grants	-	-
Other operating revenues	82,531	-
Total operating revenue	89,017	713
Depreciation expense	3,099	-
Other operating expenses	70,046	157
Net operating income	15,872	556
Non-operating revenue (expense)		
Interest and other investment income	2,615	3
Interest and other investment expense	(16,071)	(566)
Other non-operating revenue (expense)	(1,550)	-
Total non-operating revenue (expense)	(15,006)	(563)
Change in net assets	866	(7)
Total net assets, July 1, as restated	211,927	374
Total net assets, June 30	**$ 212,793**	**$ 367**
Condensed Statement of Cash Flows		
Net cash provided (used) by:		
Operating activities	$ 20,157	$ 528
Noncapital financing activities	-	-
Capital and related financing activities	(33,261)	(567)
Iinvesting activities	(27,667)	4
Net increase (decrease) in cash and cash equivalents	(40,771)	(35)
Cash and cash equivalents, July 1 as restated	170,767	408
Cash and cash equivalents, June 30	**$ 129,996**	**$ 373**

Transportation Finance Authority Airport Facilities Bonds	State Revolving Fund	Total
Uses proceeds of bonds to assist airport or aviation related property or facilities referred to by the Indianapolis Maintenance Center (IMC)	Uses proceeds of bonds issued by Indiana Bond Bank to assist qualified entities in obtaining below market financing for water pollution control projects	
$ 12,167	$ 269,736	$ 392,920
-	-	241,832
193,095	1,431,146	1,727,192
205,262	**1,700,882**	**2,361,944**
10,869	50,559	87,880
193,095	1,058,675	1,467,958
203,964	**1,109,234**	**1,555,838**
-	-	23,094
-	-	194,821
1,298	591,648	588,191
$ 1,298	**$ 591,648**	**$ 806,106**
$ 11,612	$ -	$ 18,811
-	17,807	17,807
-	62,706	145,237
11,612	80,513	181,855
-	861	3,960
415	61,781	132,399
11,197	17,871	45,496
53	-	2,671
(11,620)	-	(28,257)
-	-	(1,550)
(11,567)	-	(27,136)
(370)	17,871	18,360
1,668	573,777	787,746
$ 1,298	**$ 591,648**	**$ 806,106**
$ 11,186	$ (1,032)	$ 30,839
-	(8,112)	(8,112)
(11,612)	-	(45,440)
47	69,252	41,636
(379)	60,108	18,923
1,690	131,775	304,640
$ 1,311	**$ 191,883**	**$ 323,563**

D. Subsequent Events

During the first five months of FY 2003, the State experienced actual revenue shortfalls of $140.3 million.

Subsequent to June 30, 2003, the Bond Bank has closed the following new bond issues: Reassessment Assistance Program Bonds Series 2003B in the amount of $5.1 million, Reassessment Assistance Midyear Program Note in the amount of $22.6 million, and Common School Advancement Purchase Refunding Bonds, Series A and B in the amounts of $35.6 million and $107.9 million, respectively.

During FY 2004, Institutional Industries entered into a lease purchase agreement for the construction of a building that will house its new commissary operation. Total payments over the term of the 30-year lease will total $23,989,180, payments for which will commence in November, 2003, upon completion of the building.

The 2003A Highway Revenue bond anticipation notes in the amount of $150.1 million were refunded in September, 2003, through Highway Revenue bonds, series 2003A, in the amount of $433.2 million. The remaining amount of $282.1 million was used to fund new projects.

E. Contingencies and Commitments

Litigation

The State does not establish reserves for judgments or other legal or equitable claims. Judgments and other such claims must be paid from unappropriated fund balances. With respect to tort claims only, the State's liability is limited to $300,000 for injury or death of one person in any one occurrence and $5 million for injury or death of all persons in that occurrence.

The Indiana Attorney General's office estimates a total payment for liabilities of $4.5 million to $5 million to be made from the Tort Claim Fund during the next fiscal year. During fiscal year ending June 30, 2003 the State paid $6.2 million for settlements, judgments, claims and litigation expenses from the Tort Claim Fund.

The Indiana Attorney General's office is currently handling the following cases that could result in significant liabilities to the State:

In 1998, a group of (1) pediatric dentists who are Medicaid providers, and (2) Medicaid recipients of those services, filed a class action lawsuit against the State and its agent, Electronic Data Systems (EDS). The suit challenged the Medicaid reimbursement system for pediatric dental services under both federal and state law. The Johnson County Superior Court granted summary judgment to the State on the federal law claims. The plaintiffs claim damages against the State in the amount of approximately $17 million. Mediation was not successful. The state law claims are set for a court trial in February 2004.

In 2000, a gaming corporation operating one of the riverboats challenged the interpretation the Department of Revenue has placed on the Riverboat Gaming Tax, claiming that the tax is not an add-back for adjusted gross income tax and supplemental net income tax purposes. The case has been pending before the Tax Court on cross motions for summary judgment since 2001. The potential financial impact of this case is between $5 million and $10 million, with additional impact because of the precedent it would have on other riverboat casino operations.

In 2002, six federal retirees filed a class action complaint claiming that the Indiana method of taxing federal employees' retirement benefits results in greater taxation than is collected from retirees who collect social security, violating federal statutes and the U. S. Constitution. The total exposure exceeds $5 million. Tax Court decision on partial summary judgment, entered in October 2003, upheld limits on who can be class members as stated in IC 6-8.1-9-7, thus significantly reducing potential exposure.

In July 2002, a corporation filed a breach of contract action against the Department of Environmental Management (IDEM) alleging that IDEM failed to abide by the terms of an agreed order relating to clean-up costs directed by the federal government. The plaintiff is seeking $5 million in damages. Both State's Motion to Dismiss and Corporation's Motion for Summary Judgment were denied. Discovery is ongoing. Dispositive motions are due in December 2003 and trial is set for April 2004.

In August 2002, a large accounting firm hired to conduct the reassessment of real property in Lake County filed a breach of contract suit seeking $12 million. Plaintiff asserts that the State approved invoices then failed to abide by contractual provision requiring it to take steps to force Lake County to pay invoices. Plaintiffs have moved for Partial Summary Judgment. Response is due in December 2003. Argument will be held in February 2004.

In January 2003, a large business with facilities in East Chicago filed an amended complaint in Marion Superior Court that claims East Chicago improperly reduced the assessed value it reported from $1.2 billion to $750 million during the process of determining budgets, rates and levies for 2002.

Plaintiff claims that various local and State officials did not follow proper procedures, which resulted in a tax rate that was higher than it should have been and an increased tax burden on the plaintiff. In addition, plaintiff claims that IC 6-1.1-17-0.5 permits an unconstitutional non-uniform and unequal rate of assessment. Claims are asserted against the County and State in unspecified amounts but could be several million dollars. The State filed motion to dismiss in March 2003. The same allegations by the same business were filed as a new case in Tax Court in April 2003. Briefings are scheduled for Tax Court case in October and December 2003.

In October 2003, a large group of financial services companies filed a case claiming that they are not subject to Indiana's financial institutions tax because they have no physical presence in this state and, therefore, the required nexus to tax is lacking. They claim that Indiana's requirements for doing business "within Indiana" are not consistent with recent decisions about what constitutes substantial nexus and that imposition of the financial institutions tax on them violates the Commerce Clause and the Equal Protection Clause of the U. S. Constitution. The State's exposure is approximately $5 million to $6 million.

The State intends to vigorously defend each of the foregoing suits or other claims.

In addition, the State Lottery Commission (the Commission) is the defendant in a class action suit. During 1997, a suit was filed in Marion County Court seeking class action status on behalf of all persons denied prizes on tickets submitted beyond the final sixty-day (60) claim period. Although the trial court granted the Commission's motion to dismiss the case, the Indiana Court of Appeals reversed that decision and ruled that the plaintiff was entitled to a trial on the merits. The Indiana Supreme Court chose not to alter the appellate decision thereby returning the matter to the original court of trial.

In July 2003, the trial court conditionally certified two classes: (1) A class of all persons who, prior to 1997, purchased and presented winning instant tickets for payment after the sixty (60) day claim period and were denied the associated prizes; and (2) A class of all persons who, prior to 1997, purchased winning instant tickets and have never presented the tickets for payment. Management and its legal counsel intend to vigorously defend the Commission's position and believe the Commission will prevail. However, the Commission cannot predict the final resolution of this matter or whether its resolution could materially affect the Commission's results of operations, cash flows or financial position.

Loss from reimbursement agreement

The Indiana Development Finance Authority (IDFA) is a party to a Reimbursement Agreement with Qualitech Steel Corporation (Qualitech) and a bank relating to the $33.1 million Indiana Development Authority Taxable Variable Rate Demand Economic Development Revenue Bonds, Series 1996 (the Bonds). The proceeds of the bonds were used by Qualitech to help construct Qualitech's special bar quality steel mini-mill facility in Pittsboro, Indiana. The company filed for Chapter 11 bankruptcy in 1999 and the senior lenders purchased the assets of Qualitech in a credit bid. The senior lenders operated Qualitech SBQ, LLC until it ceased operations in January 2001. IDFA and the State are working with local officials to encourage potential purchasers.

To induce the bank to issue a letter of credit used as credit enhancement in the marketing of the bonds, the IDFA agreed to certain provisions in the Reimbursement Agreement. These provisions require the IDFA, in the event of certain defaults by Qualitech to either (1) pay bond and related expenses from certain monies legally available to the IDFA, or (2) seek an appropriation from the Indiana General Assembly to repay the bank the amounts due under the Reimbursement Agreement. The Amended Reimbursement Agreement requires that IDFA maintain the debt service reserve fund at the "fully-funded" level, and it stipulates no declaration of default so long as bond and related payments are made.

In the fiscal year ending June 30, 2003, IDFA made bond and related payments of approximately $2.0 million for Qualitech. In the 2003-2005 biennial budget, the Indiana General Assembly appropriated $5.7 million for Qualitech bond and related payments, negating the need to access any IDFA guaranty funds in either FY 2004 or FY 2005.

IDFA could be obligated to pay the outstanding balance of the bond issue, which would result in recognition of losses in future years. The amount of this contingency is the outstanding principal of the bonds totaling $26.3 million as of June 30, 2003. Debt service reserve fund aggregating $3.7 million are currently held in trust and may be available to reduce the contingency obligation.

IDFA is also a party to a Reimbursement Agreement with Heartland Steel Corporation (Heartland) and a bank relating to the $13.8 million Indiana Development Authority Taxable Variable Rate Demand Economic Development Revenue Bonds, Series 1998 (the Bonds).

The proceeds of the bonds were used by Heartland to help construct Heartland's steel mini-mill facility in Vigo County, Indiana. The company filed for Chapter 11 bankruptcy in January 2001 and CSN, a Brazilian steel company, purchased the assets of Heartland.

To induce the bank to issue a letter of credit used as credit enhancement in the marketing of the bonds, the IDFA agreed to certain provisions in the Reimbursement Agreement. These provisions require the IDFA, in the event of certain defaults by Heartland to either (1) pay bond and related expenses from certain monies legally available to the IDFA, or (2) seek an appropriation from the Indiana General Assembly to repay the bank the amounts due under the Reimbursement Agreement. The Amended Reimbursement Agreement requires that IDFA maintain the debt service reserve fund at the "fully-funded" level, and it stipulates no declaration of default so long as bond and related payments are made.

In the fiscal year ending June 30, 2003, IDFA made bond and related payments of approximately $0.8 million for Heartland. In the 2003-2005 biennial budget, the Indiana General Assembly appropriated $2.4 million for Heartland bond and related payments. IDFA could be obligated to pay the outstanding balance of the bond issue, which would result in recognition of losses in future years. The amount of this contingency is the outstanding principal of the bonds totaling $11.4 million as of June 30, 2003. Debt service reserve fund aggregating $2.2 million are currently held in trust and may be available to reduce the contingency obligation.

Federal Grants.
The State has received federal grants for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under the terms of the grants, it is believed that any required reimbursements will not be material.

F. Other Revenue

Other revenue represents revenue received which cannot accurately be included with any of the other revenue sources. In most cases, the amount of "other revenue" received by a fund is insignificant in comparison with total revenues received.

G. Economic Stabilization Fund

In 1982 the Indiana General Assembly adopted Indiana Code 4-10-18, which established the Counter-Cyclical Revenue and Economic Stabilization Fund ("Rainy Day Fund").

This fund was established to assist in stabilizing revenue during periods of economic recession and is accounted for within the State general fund.

Each year the State Budget Director determines calendar year Adjusted Personal Income (API) for the State and its growth rate over the previous year, using a formula determined by the legislature.

In general, monies are deposited automatically into the Rainy Day Fund if the growth rate in API exceeds 2%; monies are removed automatically from the Rainy Day Fund if API declines by more than 2%. All earnings from the investments of the Rainy Day Fund remain in the Rainy Day Fund. If the balance in the fund at the end of the fiscal year exceeds 7% of total general fund revenues for the same period, the excess is transferred from the Rainy Day Fund into the Property Tax Replacement Fund.

Loans can be made from the Rainy Day Fund to local units of government for specific purposes. The Rainy Day Fund cash and investment balance at the end of fiscal year 2003 was $248.1 million. Total outstanding loans were $30.4 million, resulting in total assets of $278.5 million.

H. Deferred Compensation

The State offers its employees a deferred compensation plan (the plan) created in accordance with Internal Revenue Code Section 457. The plan, available to all State employees and employees of certain quasi-agencies and political subdivisions within the State, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) held for the exclusive benefit of participants of the plan and their beneficiaries as required by section 457(g) of the Internal Revenue Code. In addition, the State has an Indiana Incentive Match Plan which provides $15 per pay period for each employee who contributes to the 457 Plan.

The State has established a deferred compensation committee that holds the fiduciary responsibility for the plan. The committee holds the deferred amounts in pension and other employee benefit trust funds.

I. Employee Retirement Systems and Plans

The State of Indiana sponsors eight public employee retirement systems (PERS) that are included in the State's financial statements. They are reported and administered as described in Note I(A).

Summary of Significant Accounting Policies (Primary government and discretely presented component units)

The accrual basis is used for financial statement reporting purposes. Contributions are considered due when the related payroll is issued by the employer and recognized as a receivable at that time. Employers are not required to submit the contributions until the month following the end of the quarter. Legislators receive the majority of their pay in January and February and the contributions are transferred on the pay dates. Therefore, no receivable is established for the legislators' retirement funds. According to the plans' policies, benefits and refunds are due at time of payment. Therefore no liability has been accrued.

Investments of defined benefit plans are reported at fair value. Short-term investments are reported at cost, which approximates fair value.

Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. Investments that do not have an established market are reported at estimated fair value.

The buildings purchased as investments by the Public Employees Retirement Fund (PERF) are reported at cost as there has not been a recent independent appraisal. The buildings are immaterial to PERF's total investments.

The state sponsors the following defined benefit single-employer plans:

State Police Retirement Fund (Presented as a pension fund)

Plan Description The State Police Retirement Fund (SPRF), is a defined benefit, single-employer PERS, and is administered by the Indiana Department of State Police. Indiana Code 10-1-1 grants authority to the Department to establish and operate an actuarially sound pension plan governed by a pension trust and to make the annual contributions necessary to prevent any deterioration in the actuarial status of the trust fund.

Funding Policy The pre-1987 plan requires employee contributions of five percent of the salary of a third-year trooper. The 1987 plan applies to all officers hired after June 30, 1987. In addition, state police officers hired prior to July 1, 1987 could elect to be covered under this plan if the employee filed an election with the trustee before July 1, 1989. Participants under the 1987 plan contribute six percent of their monthly base salary.

Periodic employer contributions to the pension plan are determined on an actuarial basis using the entry age normal actuarial cost method. Normal cost is funded on a current basis. The unfunded actuarial accrued liability is funded over a forty year period. Periodic contributions for both normal cost and the amortization of the unfunded actuarial accrued liability are based on the level percentage of payroll method. The funding policy for normal cost and unfunded actuarial accrued liability should provide sufficient resources to pay employee pension benefits on a timely basis.

The State is required to contribute at an actuarially determined rate; the current rate is 20.3% of covered payroll.

Excise Police and Conservation Enforcement Officers' Retirement Plan (Presented as part of PERF – a discretely presented component unit)

Plan Description The Excise Police and Conservation Enforcement Officers' Retirement Plan (ECRP) is a defined benefit single-employer plan administered by the Board of Trustees of the Public Employees' Retirement Fund. The retirement fund is for employees of the Indiana Department of Natural Resources and Indiana Alcohol and Tobacco Commission who are engaged exclusively in the performance of law enforcement duties.

The Excise Police and Conservation Enforcement Officers' Retirement Plan provides retirement, disability, and survivor benefits. Indiana Code 5-10-5.5 governs the requirements of the Fund. The Public Employees' Retirement Fund Board of Trustees issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole. That report may be obtained by writing the Public Employees Retirement Fund, Harrison Building, Room 800, 143 West Market Street, Indianapolis, IN 46204, or by calling 317-233-4162.

Funding Policy Members are required by statute to contribute three percent of the first $8,500 of annual salary to the Plan. The State of Indiana, as employer, is required by statute to contribute the remaining

amount necessary to actuarially finance the coverage; the current rate is 19.0% of covered payroll.

The funding policy for employer contributions of the Excise Police and Conservation Enforcement Officers' Retirement Plan provides for biennial appropriations authorized by the Indiana General Assembly, which when combined with anticipated member contributions are sufficient to actuarially fund benefits (normal cost), amortize the unfunded accrued liability for forty years, and prevent the state's unfunded accrued liability from increasing.

Prosecuting Attorneys' Retirement Fund (Presented as part of PERF – a discretely presented component unit)

Plan Description The Prosecuting Attorneys' Retirement Fund (PARF) is a defined benefit single-employer plan administered by the Board of Trustees of the Public Employees' Retirement Fund. The Prosecuting Attorneys' Retirement Fund provides retirement, disability retirement, and survivor benefits for individuals who serve as a prosecuting attorney or chief deputy prosecuting attorney on or after January 1, 1990.

These individuals are paid from the General Fund of the State of Indiana. Indiana Code 33-14-9 governs the requirements of the Fund. The Public Employees' Retirement Fund Board of Trustees issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole. That report may be obtained by writing the Public Employees Retirement Fund, Harrison Building, Room 800, 143 West Market Street, Indianapolis, IN 46204, or by calling 317-233-4162.

Funding Policy Contributions made by or on the behalf of members are not actuarially determined but are set by statute at six percent (6%) of wages. The amount required to actuarially fund participants' retirement benefits, as determined by the Board of Trustees on the recommendations of an actuary, is to be appropriated from the State's General Fund.

Legislators' Retirement System – Legislators' Defined Benefit Plan (Presented as part of PERF – a discretely presented component unit)

Plan Description The Legislators' Defined Benefit Plan (IC 2-3.5-4), a defined benefit single-employer PERS, applies to each member of the General Assembly who was serving on April 30, 1989 and files an election under IC 2-3.5-3-1(b). The Legislators' Defined Benefit Plan provides retirement, disability and survivor benefits. The plan is administered by the Board of Trustees of the Public Employees' Retirement Fund. The Public Employees' Retirement Fund Board of Trustees issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole. The report may be obtained by writing the Public Employees Retirement Fund, Harrison Building, Room 800, 143 West Market Street, Indianapolis, IN 46204, or by calling 317-233-4162.

Funding Policy The amount required by the funding policy to actuarially fund participants' retirement benefits, as determined by the Board of Trustees on the recommendation of an actuary, is to be appropriated from the State's General Fund.

Judges' Retirement System (Presented as part of PERF – a discretely presented component unit)

Plan Description The Judges' Retirement System (JRS) is a defined benefit single-employer Public Employee Retirement System administered by the Board of Trustees of the Public Employees' Retirement Fund. The Judges' Retirement System provides retirement, disability retirement, and survivor benefits. Coverage is for any person who has served, is serving or shall serve as a regular judge of any of the following courts: Supreme Court of the State of Indiana; Circuit Court of any Judicial Circuit; Indiana Tax Court; County Courts including Circuit, Superior, Criminal, Probate, Juvenile, Municipal and County Court. IC 33-13-10.1 applies to judges beginning service after August 31, 1985. Indiana Code 33-13-8 governs the requirements of the Fund. The Public Employees' Retirement Fund Board of Trustees issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole. That report may be obtained by writing the Public Employees Retirement Fund, Harrison Building, Room 800, 143 West Market Street, Indianapolis, IN 46204, or by calling 317-233-4162.

Funding Policy Member contributions are established by statute at six percent of total statutory compensation. However, no contribution is required and no such amounts shall be paid on behalf of any participant for more than twenty-two years.

Employer contributions are determined by the Indiana General Assembly as biennial appropriations from the State General Fund. Indiana Code 33-13-8-16(a)(1) provides that this appropriation only include sufficient funds to cover the aggregate liability of the Fund for benefits to the end of the biennium, on an actuarially funded basis. In addition to the General Fund appropriations, the statutes provide for remittance of docket fees and court fees. These are considered employer contributions.

The State sponsors the following defined benefit agent multiple-employer plan:

Public Employees' Retirement Fund (Presented as part of PERF – a discretely presented component unit)

Plan Description The Public Employees' Retirement Fund (PERF) is a defined benefit agent multiple-employer plan administered by the Public Employees' Retirement Fund Board of Trustees. PERF provides retirement, disability retirement, and survivor benefits. Indiana Code 5-10.2 and 5-10.3 governs the requirements of the Fund. The Public Employees' Retirement Fund Board of Trustees issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole. The report may be obtained by writing the Public Employees Retirement Fund, Harrison Building, Room 800, 143 West Market Street, Indianapolis, IN 46204, or by calling 317-233-4162. At June 30, 2003, the number of participating political subdivisions was 1,049.

Funding Policy The State of Indiana and any political subdivision that elects to participate in the PERF fund is obligated by statute to make contributions to the plan. The required employer contributions are determined by the Board of Trustees based on actuarial investigation and valuation. PERF funding policy provides for periodic employer contributions at actuarially determined rates, that, expressed as percentage of annual covered payroll, are sufficient to fund the pension portion of the retirement benefit (normal cost), administrative expenses, and anticipated increase in the unfunded actuarial accrued liability for the next fiscal year. In addition, employers must remit quarterly payment of the amortization of the initial prior service cost. The amortization period is forty years for those employers whose effective date of participation was before 1985. Thereafter, employers joining have the prior service cost amortized over fifteen years.

Contributions made by or on the behalf of members are not actuarially determined but are set by statute at three percent (3%) of wages. These contributions are credited to the member's annuity savings account that funds the annuity portion of the retirement benefit.

The State is required to contribute for state employees at an actuarially determined rate; the current rate is 5.1% of covered payroll.

The Annual Pension Cost and Net Pension Obligations, the significant actuarial assumptions, and the historical trend information of the single and agent multiple employer defined benefit plans are as follows:

(amounts expressed in thousands)	Primary Government	Discretely Presented Component Unit					
	SPRF	PERF -State	PERF-Municipal	ECRF	JRS	PARF	LRS
Annual Pension Cost and Net Pension Obligation (Asset)							
Annual required contribution	$ 9,578.0	$ 72,333.0	$ 104,442.9	$ 2,047.2	$ 10,320.3	$ 906.5	$ 205.5
Interest on net pension obligation	(159.1)	(3,146.0)	(6,735.5)	(61.0)	(233.9)	49.0	(1.0)
Adjustment to annual required contribution	175.5	3,422.0	7,325.1	61.8	237.2	(52.0)	1.2
Annual pension cost	9,594.4	72,609.0	105,032.5	2,048.0	10,323.6	903.5	205.7
Contributions made	(8,387.0)	(76,304.0)	(128,631.9)	(1,903.9)	(12,542.6)	(435.8)	(186.6)
Increase (decrease) in net pension obligation	1,207.4	(3,695.0)	(23,599.4)	144.1	(2,219.0)	467.7	19.1
Net pension obligation, beginning of year	(2,272.2)	(43,397.0)	(92,903.9)	(840.8)	(3,226.8)	675.5	(13.8)
Net pension obligation, end of year	$ (1,064.8)	$ (47,092.0)	$ (116,503.3)	$ (696.7)	$ (5,445.8)	$ 1,143.2	$ 5.3
Significant Actuarial Assumptions							
Investment rate of return	7.00%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%
Projected future salary increases:							
Total	4.60%	3.50% - 17.00%	3.50% - 17.00%	5.00%	5.00%	5.00%	3.00%
Attributed to inflation	*	*	*	*	*	*	*
Cost of living adjustments	6.00%	2.00%	2.00%	2.00%	N/A	N/A	2.00%
Contribution rates:							
State	20.30%	5.60%	6.20%	19.00%	37.10%	7.80%	*
Plan members	6.00%	3.00%	3.00%	3.00%	6.00%	6.00%	0.00%
Actuarial valuation date	7/1/2003	7/1/2002	7/1/2002	7/1/2002	7/1/2002	7/1/2002	7/1/2002
Actuarial cost method	entry age	entry age normal cost	entry age normal cost	entry age normal cost	entry age normal cost	entry age normal cost	accrued benefit (unit credit)
Amortization method	level percent	level dollar	level dollar	level dollar	level dollar	level dollar	level dollar
Amortization period	40 years	40 years	40 years	30 years	40 years	30 years	30 years
Amortization period (from date)	7/1/1997	7/1/1997	7/1/1997	7/1/1997	7/1/1997	N/A	7/1/1992
Amortization period (open or closed)	closed	closed	closed	closed	closed	open	closed
Asset valuation method	smoothed basis	75% of expected actuarial value plus 25% of cost value	75% of expected actuarial value plus 25% of market value	smoothed market value	smoothed market value	smoothed market value	smoothed market value
Historical Trend Information							
Year ended June 30, 2003							
Annual pension cost (APC)	$ 9,594.4	*	*	*	*	*	*
Percentage of APC contributed	87.4%	*	*	*	*	*	*
Net pension obligation (asset)	$ (1,064.8)	*	*	*	*	*	*
Year ended June 30, 2002							
Annual pension cost (APC)	$ 9,218.0	$ 72,609.0	$ 105,032.5	$ 2,048.0	$ 10,323.6	$ 903.5	$ 205.7
Percentage of APC contributed	104.0%	105.1%	122.5%	93.0%	121.5%	48.2%	90.7%
Net pension obligation (asset)	$ (2,272.2)	$ (47,092.0)	$ (116,503.3)	$ (696.7)	$ (5,445.8)	$ 1,143.2	$ 5.3
Year ended June 30, 2001							
Annual pension cost (APC)	$ 9,315.4	$ 66,759.0	$ 104,102.7	$ 1,717.9	$ 10,757.8	$ 372.5	$ 177.8
Percentage of APC contributed	102.9%	114.2%	122.5%	117.9%	114.1%	73.9%	95.7%
Net pension obligation (asset)	$ (1,903.1)	$ (43,397.0)	$ (93,115.8)	$ (840.8)	$ (3,226.8)	$ 675.5	$ (13.8)
Year ended June 30, 2000							
Annual pension cost (APC)	$ 8,583.9	$ 61,824.0	$ 99,429.0	$ 1,702.0	$ 11,491.4	$ 423.7	$ 187.1
Percentage of APC contributed	111.7%	136.4%	129.5%	113.8%	102.5%	65.0%	90.9%
Net pension obligation (asset)	$ (1,631.5)	$ (33,937.0)	$ (69,661.8)	$ (533.0)	$ (1,706.0)	$ 578.3	$ (21.5)

SPRF - State Police Retirement Fund
PERF - Public Employees' Retirement Fund
ECRF - Excise Police and Conservation Enforcement Officers' Retirement Fund (Administered by the PERF board of trustees)
JRS - Judges' Retirement System (Administered by the PERF board of trustees)
PARF - Prosecuting Attorneys' Retirement Fund (Administered by the PERF board of trustees)
LRS - Legislators' Retirement System (Administered by the PERF board of trustees)
N/A - not applicable
* - information not available

The State sponsors the following cost-sharing multiple-employer plans:

State Teachers' Retirement Fund (Presented as a discretely presented component unit)

Plan Description The State Teachers' Retirement Fund (STRF), is a defined benefit, multiple-employer cost-sharing PERS, administered by the Indiana State Teachers' Retirement Fund Board of Trustees. Indiana Code 21-6.1 governs the requirements of the Fund. The Indiana State Teachers' Retirement Fund Board of Trustees issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole. That report may be obtained by writing the Indiana State Teachers' Retirement Fund, 150 West Market Street, Indianapolis, IN 46204, or by calling 317-232-3860.

At June 30, 2003, the number of participating employers was 363.

Funding Policy Each school corporation contributes the employer's share to the Fund for certified employees employed under a federally funded program and all the certified employees hired after July 1, 1995 (post July 1, 1995 plan). The employer's share of contributions for certified personnel who are not employed under a federally funded program or were hired before July 1, 1995 is considered to be an obligation of, and is paid by, the State of Indiana (pre July 1, 1995 plan). The pre July 1, 1995 plan is on a "pay as you go" basis. State appropriations are made for the amount of estimated pension benefit payouts for each fiscal year. These appropriations include revenues from the State Lottery Commission.

1977 Police Officers' and Firefighters' Pension and Disability Fund (Presented as part of PERF – a discretely presented component unit)

Plan Description The 1977 Police Officers' and Firefighters' Pension and Disability Fund (PFPF) is a defined benefit, multiple employer cost sharing Public Employees Retirement System administered by the Public Employees' Retirement Fund Board of Trustees. PERF provides retirement, disability retirement, and survivor benefits. Indiana Code 36-8-8 governs the requirements of the Fund. The Public Employees' Retirement Fund Board of Trustees issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole. The report may be obtained by writing the Public Employees Retirement Fund, Harrison Building, Room 800, 143 West Market Street, Indianapolis, IN 46204, or by calling 317-233-4162.

At June 30, 2003, the number of participating employer units totaled 156 (245 police and fire departments).

Funding Policy A participant is required by statute to contribute six percent of a first-class patrolman or firefighter's salary for the term of their employment up to thirty-two years. Employer contributions are determined actuarially. The funding policy mandated by statute requires quarterly remittances of member and employer contributions based on percentages of locally established estimated salary rates, rather than actual payroll.

The annual required contributions, percentage contributed, and historical trend information, for the cost sharing, multiple-employer plans are as follows:

	Discretely Presented Component Units	
	STRF	PFPF*
Historical Trend Information		
Year ended June 30, 2003		
Annual required contribution	$ 638,541.1	$ 98,686.9
percentage contributed	94%	85%
Year ended June 30, 2002		
Annual required contribution	$ 572,226.2	$ 91,914.0
percentage contributed	99%	93%
Year ended June 30, 2001		
Annual required contribution	$ 537,789.7	$ 82,654.7
percentage contributed	128%	93%

STRF - State Teachers' Retirement Fund
PFPF - 1977 Police Officers and Firefighters' Retirement Fund (Administered by PERF)

* - year ended December 31

The State sponsors the following defined contribution plan:

Legislators' Retirement System – Legislators' Defined Contribution Plan (Presented as part of PERF – a discretely presented component unit)

Plan Description The Legislators' Defined Contribution Plan (IC 2-3.5-5), a single employer defined contribution plan applies to each member of the General Assembly who was serving April 30, 1989 and files an election under IC 2-3.5-3-1(b), and each member of the General Assembly who is elected or appointed after April 30, 1989. The plan provides retirement and survivor benefits. The plan is administered by the Board of Trustees' of the Public Employees' Retirement Fund. The Public Employees' Retirement Fund Board of Trustees issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole. That report may be obtained by writing the Public Employees Retirement Fund, Harrison Building, Room 800, 143 West Market Street, Indianapolis, IN 46204, or by calling 317-233-4162.

Funding Policy For the Legislators' Defined Contribution Plan, each participant is required to contribute five percent of his annual salary. In addition, the State of Indiana is required to contribute twenty percent of the member's annual salary on behalf of the participant.

Discretely Presented Component Units

Governmental and proprietary fund types Employees of the Indiana Development Finance Authority, the Indiana Housing Finance Authority, and the Indiana Bond Bank are covered by the Public Employees' Retirement Fund (PERF). Contributions made during the fiscal year are included in the disclosures for PERF.

Colleges and Universities Substantially all permanent employees of the college and universities in the State are covered by either the independently administered Teacher Insurance and Annuity Association (TIAA-CREF) or the Public Employees' Retirement Fund (PERF).

The TIAA-CREF plan is a defined contribution plan with contributions made to individually owned deferred annuity contracts. This plan offers career faculty and professional staff mobility since over 5,000 colleges and universities nationwide participate in TIAA-CREF. These are fixed contribution programs in which the retirement benefits received are based on the contributions made plus interest and dividends.

Participants in this plan are immediately vested. Eligibility and contribution requirements for TIAA-CREF are determined by each institution. Indiana University and Purdue University contributed $107.3 million for 13,276 participants for the year ended June 30, 2003. Other staff employees are eligible to become members of PERF. Contributions by the institutions during fiscal year 2003 are included in the disclosures for PERF.

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Funding Progress
Employee Retirement Systems and Plans

(amounts expressed in thousands)	Primary Government	Discretely Presented Component Unit					
	SPRF	PERF -State	PERF-Municipal	ECRF	JRS	PARF	LRS
Valuation Date: July 1, 2003							
Actuarial value of assets	$ 313,123	*	*	*	*	*	*
Actuarial accrued liability (AAL)	360,502	*	*	*	*	*	*
Excess of assets over (unfunded) AAL	(47,379)	*	*	*	*	*	*
Funded ratio	87%	*	*	*	*	*	*
Covered payroll	51,204	*	*	*	*	*	*
Excess (unfunded) AAL as a percentage of covered payroll	-93%	*	*	*	*	*	*
Valuation Date: July 1, 2002							
Actuarial value of assets	$ 304,773	$ 2,061,790	$ 2,445,113	$ 37,360	$ 121,155	$ 11,957	$ 4,446
Actuarial accrued liability (AAL)	349,772	2,123,779	2,666,590	55,884	188,434	22,386	5,503
Excess of assets over (unfunded) AAL	(44,999)	(61,989)	(221,477)	(18,524)	(67,279)	(10,429)	(1,057)
Funded ratio	87%	97%	92%	67%	64%	53%	81%
Covered payroll	50,895	1,501,201	2,350,458	12,654	25,805	14,538	**
Excess (unfunded) AAL as a percentage of covered payroll	-88%	-4%	-9%	-146%	-261%	-72%	**
Valuation Date: July 1, 2001							
Actuarial value of assets	$ 307,072	$ 2,063,627	$ 2,484,339	$ 36,921	$ 115,040	$ 11,073	$ 4,665
Actuarial accrued liability (AAL)	338,867	1,896,506	2,249,835	52,024	188,610	20,418	5,508
Excess of assets over (unfunded) AAL	(31,795)	167,121	234,504	(15,103)	(73,570)	(9,345)	(843)
Funded ratio	91%	109%	110%	71%	61%	54%	85%
Covered payroll	51,395	1,429,768	2,157,252	12,486	29,748	13,636	**
Excess (unfunded) AAL as a percentage of covered payroll	-62%	12%	11%	-121%	-247%	-69%	**
Valuation Date: July 1, 2000							
Actuarial value of assets	$ 292,383	$ 1,960,018	$ 2,356,058	$ 34,368	$ 103,733	$ 9,781	$ 4,557
Actuarial accrued liability (AAL)	326,016	1,701,091	2,047,213	46,272	182,448	13,943	5,453
Excess of assets over (unfunded) AAL	(33,633)	258,927	308,845	(11,904)	(78,715)	(4,162)	(896)
Funded ratio	90%	115.22%	115.09%	74%	57%	70%	84%
Covered payroll	50,898	1,371,496	2,110,957	11,306	30,428	13,422	**
Excess (unfunded) AAL as a percentage of covered payroll	-66%	19%	15%	-105%	-259%	-31%	**

SPRF - State Police Retirement Fund
PERF - Public Employees' Retirement Fund
ECRF - Excise Police and Conservation Enforcement Officers' Retirement Fund (Administered by the PERF board of trustees)
JRS - Judges' Retirement System (Administered by the PERF board of trustees)
PARF - Prosecuting Attorneys' Retirement Fund (Administered by the PERF board of trustees)
LRS - Legislators' Retirement System (Administered by the PERF board of trustees)

* - information not available
** The benefit formula is determined based on service rather than compensation. The unfunded liability is expressed per active participant and there are 58 active participants. The unfunded liability per active participant is $18,221

State of Indiana
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Major Funds (Budgetary Basis)
For the Year Ended June 30, 2003
(amounts expressed in thousands)

	General Fund			
	Budget		Actual	Variance to Final Budget
	Original	Final		
Revenues:				
Taxes:				
Income	$ 5,135,608	$ 5,135,608	$ 4,163,056	$ (972,552)
Sales	2,423,200	2,423,200	2,161,197	(262,003)
Fuels	-	-	-	-
Gaming	-	-	84,308	84,308
Inheritance	160,000	160,000	195,320	35,320
Alcohol and tobacco	68,400	68,400	300,241	231,841
Insurance	160,000	160,000	177,292	17,292
Other	-	-	75,934	75,934
Total taxes	7,947,208	7,947,208	7,157,348	(789,860)
Current service charges	126,457	126,457	202,524	76,067
Investment income	120,000	120,000	34,283	(85,717)
Sales/rents	-	-	2,645	2,645
Grants	-	-	117,343	117,343
Other	9,150	9,150	109,310	100,160
Total revenues	8,202,815	8,202,815	7,623,453	(579,362)
Expenditures:				
Current:				
General government	630,757	1,350,229	891,950	458,279
Public safety	673,610	679,984	609,404	70,580
Health	127,989	111,860	92,327	19,533
Welfare	2,087,795	490,409	377,548	112,861
Conservation, culture and development	119,465	160,370	63,104	97,266
Education	5,628,487	5,514,617	5,456,407	58,210
Transportation	1,136	8,901	5,095	3,806
Other	10,528	-	-	-
Total expenditures	9,279,767	8,316,370	7,495,835	820,535
Excess of revenues over (under) expenditures	(1,076,952)	(113,555)	127,618	(241,173)
Other financing sources (uses):				
Total other financing sources (uses)	(880,718)	(880,718)	60,987	941,705
Net change in fund balances	$ (1,957,670)	$ (994,273)	$ 188,605	$ 1,182,878
Fund balances July 1, as restated			1,040,377	
Fund balances June 30			**$ 1,228,982**	

Motor Vehicle Highway Fund				Medicaid Assistance			
Budget		Actual	Variance to Final Budget	Budget		Actual	Variance to Final Budget
Original	Final			Original	Final		
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-	-
460,256	460,256	458,760	(1,496)	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
460,256	460,256	458,760	(1,496)	-	-	-	-
16,952	16,952	12,677	(4,275)	-	-	-	-
-	-	-	-	-	-	-	-
-	-	15	15	-	-	-	-
11,346	11,346	13,173	1,827	2,507,778	2,507,778	2,607,705	99,927
55,334	55,334	58,145	2,811	-	-	-	-
543,888	543,888	542,770	(1,118)	2,507,778	2,507,778	2,607,705	99,927
6,188	292,357	292,356	1	-	-	-	-
192,014	200,185	188,990	11,195	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	4,114,807	4,073,709	41,098
-	-	-	-	-	-	-	-
259	258	258	-	-	-	-	-
-	7,052	3,042	4,010	-	-	-	-
-	-	-	-	-	-	-	-
198,461	499,852	484,646	15,206	-	4,114,807	4,073,709	41,098
345,427	44,036	58,124	(14,088)	2,507,778	(1,607,029)	(1,466,004)	(141,025)
(70,907)	(70,907)	(68,563)	2,344	1,864,323	1,864,323	1,489,976	(374,347)
$ 274,520	$ (26,871)	$ (10,439)	$ 16,432	$ 4,372,101	$ 257,294	$ 23,972	$ (233,322)
		5,176				18,582	
		$ (5,263)				**$ 42,554**	

continued on next page

State of Indiana
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Major Funds (Budgetary Basis)
For the Year Ended June 30, 2003
(amounts expressed in thousands)

	Build Indiana Fund			
	Budget		Actual	Variance to Final Budget
	Original	Final		
Revenues:				
Taxes:				
Income	$ -	$ -	$ -	$ -
Sales	-	-	-	-
Fuels	-	-	-	-
Gaming	-	-	-	-
Inheritance	-	-	-	-
Alcohol and tobacco	-	-	-	-
Insurance	-	-	-	-
Other	-	-	-	-
Total taxes	-	-	-	-
Current service charges	106,112	106,112	-	(106,112)
Investment income	13,729	13,729	931	(12,798)
Sales/rents	-	-	-	-
Grants	-	-	-	-
Other	4	4	3,007	3,003
Total revenues	119,845	119,845	3,938	(115,907)
Expenditures:				
Current:				
General government	-	55,966	48,426	7,540
Public safety	-	3	1	2
Health	-	124	2	122
Welfare	-	-	-	-
Conservation, culture and development	-	10,586	3,151	7,435
Education	-	363	87	276
Transportation	-	3,794	3,655	139
Other	-	-	-	-
Total expenditures	-	70,836	55,322	15,514
Excess of revenues over (under) expenditures	119,845	49,009	(51,384)	100,393
Other financing sources (uses):				
Total other financing sources (uses)	26,054	26,054	(29,252)	(55,306)
Net change in fund balances	$ 145,899	$ 75,063	$ (80,636)	$ (155,699)
Fund balances July 1, as restated			101,248	
Fund balances June 30			**$ 20,612**	

State Highway Department				Property Tax Replacement Fund			
Budget		Actual	Variance to Final Budget	Budget		Actual	Variance to Final Budget
Original	Final			Original	Final		
$ -	$ -	$ -	$ -	$ -	$ -	$ 73,486	$ 73,486
-	-	42	42	1,477,895	1,477,895	1,881,946	404,051
35	35	53	18	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
35	35	95	60	1,477,895	1,477,895	1,955,432	477,537
13,314	13,314	12,068	(1,246)	-	-	-	-
179	179	59	(120)	-	-	-	-
-	-	589	589	-	-	-	-
494,255	494,255	654,734	160,479	-	-	-	-
36,387	36,387	120,883	84,496	-	-	-	-
544,170	544,170	788,428	244,258	1,477,895	1,477,895	1,955,432	477,537
-	-	-	-	-	1,078,102	1,078,102	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,173,551	1,433,845	1,195,817	238,028	-	-	-	-
-	-	-	-	-	-	-	-
1,173,551	1,433,845	1,195,817	238,028	-	1,078,102	1,078,102	-
(629,381)	(889,675)	(407,389)	(482,286)	1,477,895	399,793	877,330	(477,537)
538,742	538,742	447,790	(90,952)	(778,009)	(778,009)	(877,330)	(99,321)
$ (90,639)	$ (350,933)	$ 40,401	$ 391,334	$ 699,886	$ (378,216)	$ -	$ 378,216
		193,995				-	
		$ 234,396				**$ -**	

continued on next page

State of Indiana
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Major Funds (Budgetary Basis)
For the Year Ended June 30, 2003
(amounts expressed in thousands)

	Tobacco Settlement Fund			
	Budget		Actual	Variance to Final Budget
	Original	Final		
Revenues:				
Taxes:				
Income	$ -	$ -	$ -	$ -
Sales	-	-	-	-
Fuels	-	-	-	-
Gaming	-	-	-	-
Inheritance	-	-	-	-
Alcohol and tobacco	-	-	-	-
Insurance	-	-	-	-
Other	-	-	-	-
Total taxes	-	-	-	-
Current service charges	149,250	149,250	147,988	(1,262)
Investment income	4,318	4,318	194	(4,124)
Sales/rents	-	-	-	-
Grants	-	-	-	-
Other	-	-	32	32
Total revenues	153,568	153,568	148,214	(5,354)
Expenditures:				
Current:				
General government	-	258,246	6,533	251,713
Public safety	-	-	-	-
Health	-	52,611	44,905	7,706
Welfare	-	2,368	844	1,524
Conservation, culture and development	-	-	-	-
Education	-	-	-	-
Transportation	-	-	-	-
Other	-	-	-	-
Total expenditures	-	313,225	52,282	260,943
Excess of revenues over (under) expenditures	153,568	(159,657)	95,932	(255,589)
Other financing sources (uses):				
Total other financing sources (uses)	(146,914)	(146,914)	(97,417)	49,497
Net change in fund balances	$ 6,654	$ (306,571)	$ (1,485)	$ 305,086
Fund balances July 1, as restated			277,263	
Fund balances June 30			**$ 275,778**	

Budget/GAAP Reconciliation
Major Funds

The cash basis of accounting (budgetary basis) is applied to each budget. The budgetary basis differs from GAAP. The major differences between budgetary (non-GAAP) basis and GAAP basis are:

(amounts expressed in thousands)	**General Fund**	**Special Revenue Funds**	**Total**
Net change in fund balances (budgetary basis)	$ 188,603	$ (28,191)	**$ 160,412**
Adjustments necessary to convert the results of operations on a budgetary basis to a GAAP basis are:			
Revenues are recorded when earned (GAAP) as opposed to when cash is received (budgetary)	(893)	126,267	**125,374**
Expenditures are recorded when the liability is incurred (GAAP) as opposed to when payment is made (budgetary)	(9,082)	(305,442)	**(314,524)**
Net change in fund balances (GAAP basis)	**$ 178,628**	**$ (207,366)**	**$ (28,738)**

Infrastructure - Modified Reporting
Condition Rating of the State's Highways and Bridges

Roads	Average Pavement Quality Index (PQI)		
	2003	2002	2001
Interstate Roads (including Rest Areas and Weigh Stations)	87	N/A	87
NHS Roads - Non-Interstate (including Rest Areas and Weigh Stations)	83	N/A	83
Non-NHS Roads	80	N/A	80

The condition of road pavement is measured using a pavement quality index (PQI), which is based on a weighted average of three distress factors found in pavement surfaces. The PQI uses a measurement scale that is based on a condition index ranging from zero for a failed pavement to 100 for a pavement in perfect condition. The condition index is used to classify roads in excellent condition (90-100), good condition (80-89), fair condition (70-79), and poor condition (less than 70). It is the State's policy to maintain Interstate and NHS Non-Interstate roads at an average PQI of 75 and Non-NHS roads at an average PQI of 65. Condition assessments are determined on an annual basis for Interstates and on a biennial basis for other roads.

Bridges	Average Sufficiency Rating		
	2003	2002	2001
Interstate Bridges	91.1%	91.2%	N/A
NHS Bridges - Non-Interstate	90.1%	91.2%	N/A
Non-NHS Bridges	87.8%	88.1%	N/A

The condition of the State's bridges is measured based on a sufficiency rating, which is based on a weighted average of four factors indicative of a bridge's sufficiency to remain in service. The sufficiency rating uses a measurement scale that ranges from zero for an entirely insufficient or deficient bridge to 100 for an entirely sufficient bridge. The sufficiency rating is used to classify bridges in excellent condition (90-100), good condition (80-89), fair condition (70-79), marginal condition (60-69) and poor condition (below 60). It is the State's policy to maintain Interstate bridges at a minimum sufficiency rating of 87%, NHS Non-Interstate bridges at 85%, and Non-NHS bridges at 83%. Sufficiency ratings are determined at least on a biennial basis for all bridges. Sufficiency ratings are determined more frequently for certain bridges depending on their design.

N/A - Information is not available

Infrastructure - Modified Reporting
Comparison of Needed-to-Actual Maintenance/Preservation
(dollars in thousands)

	2003	2002	2001	2000	1999
Roads					
Interstate Roads (including Rest Areas and Weigh Stations):					
Needed	$ 113,469	$ 101,574	N/A	N/A	N/A
Actual	167,472	198,144	N/A	N/A	N/A
NHS Roads - Non-Interstate (including Rest Areas and Weigh Stations)					
Needed	52,857	67,392	N/A	N/A	N/A
Actual	2,450	2,618	N/A	N/A	N/A
Non-NHS Roads					
Needed	196,063	185,909	N/A	N/A	N/A
Actual	390,020	311,757	N/A	N/A	N/A
Roads at State Institutions and Properties					
Needed	4,000	5,000	N/A	N/A	N/A
Actual	6,044	1,603	N/A	N/A	N/A
Total					
Needed	366,389	359,875	N/A	N/A	N/A
Actual	565,986	514,122	N/A	N/A	N/A
Bridges					
Interstate Bridges					
Needed	$ 11,220	$ 42,634	N/A	N/A	N/A
Actual	36,736	27,838	N/A	N/A	N/A
NHS Bridges - Non-Interstate					
Needed	25,618	35,384	N/A	N/A	N/A
Actual	12,324	11,265	N/A	N/A	N/A
Non-NHS Bridges					
Needed	44,659	41,116	N/A	N/A	N/A
Actual	60,314	74,388	N/A	N/A	N/A
Total					
Needed	81,497	119,134	N/A	N/A	N/A
Actual	109,374	113,491	N/A	N/A	N/A

N/A - Information is not available


SEAL OF THE STATE OF INDIANA
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OTHER SUPPLEMENTARY INFORMATION

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes. Funds of material significance are presented separately in these combining statements. All other funds are included under the description "Other Special Revenue Funds."

The following funds are used to account for welfare assistance and administration and other welfare-related entitlement programs:

County Welfare Administration
State and Federal Welfare Assistance
Federal Food Stamp Program
Medicaid Indigent Care Trust

The following funds are used to account for transportation and motor vehicle related programs:

Bureau of Motor Vehicles Commission
Primary Road and Street

The following funds are used to account for health and environmental programs:

Health and Environmental Programs
Patients Compensation Fund

The following funds are used to receive and distribute certain revenues to the proper sources:

State Gaming Fund
Bureau of Motor Vehicles Holding Account
Student Loan Program

NON-MAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECTS FUNDS

Capital project funds account for financial resources to be used by the State for the acquisition or construction of major capital facilities (other than those financed by proprietary and trust funds).

Post War Construction Fund - This fund accounts for new construction, rehabilitation and preventative maintenance of penal, benevolent and charitable institutions of the state.

Indiana Transportation Finance Authority Highway Revenue Bond Fund - This fund accounts for the financing of improvements for highway road and bridge projects that are managed by the Indiana Department of Transportation.

PERMANENT FUNDS

Permanent Funds account for resources of the State that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support State programs.

Common School Fund - The interest of the Common School Fund is annually appropriated for the purpose of making loans to school corporations for Capital Projects.

Veterans' Memorial School Construction Fund - This fund is used for the construction, remodeling, or repair of school buildings and classrooms.

State of Indiana
Balance Sheet
Non-Major Governmental Funds
June 30, 2003
(amounts expressed in thousands)

	Non-Major Special Revenue Funds	Non-Major Capital Projects Funds	Non-Major Permanent Funds	Total
Assets:				
Cash, cash equivalents and investments-unrestricted	$ 1,289,073	$ 86,431	$ 136,824	**$ 1,512,328**
Securities lending collateral	370,977	-	90,450	**461,427**
Receivables:				
Taxes (net of allowance for uncollectible accounts)	251,445	1,503	-	**252,948**
Securities lending	817	5	116	**938**
Accounts	16,479	-	-	**16,479**
Grants	29,427	-	-	**29,427**
Interest	486	5	-	**491**
Interfund loans	436	578	-	**1,014**
Prepaid expenditures	2,296	-	-	**2,296**
Loans	26,981	5	376,818	**403,804**
Total assets	$ 1,988,417	$ 88,527	$ 604,208	**$ 2,681,152**
Liabilities:				
Accounts payable	$ 142,855	$ 918	$ -	**$ 143,773**
Salaries and benefits payable	27,247	-	-	**27,247**
Interfund loans	10,089	-	-	**10,089**
Interfunds services used	2,202	-	-	**2,202**
Intergovernmental payable	89,582	-	-	**89,582**
Tax refunds payable	5,561	-	-	**5,561**
Deferred revenue	185,117	221	-	**185,338**
Accrued liability for compensated absences-current	2,023	-	-	**2,023**
Securities lending payable	817	5	116	**938**
Securities lending collateral	370,977	-	90,450	**461,427**
Total liabilities	836,470	1,144	90,566	**928,180**
Fund balance:				
Reserved:				
Encumbrances	123,214	8,496	-	**131,710**
Special purposes	20,136	-	-	**20,136**
Interfund loans	436	578	-	**1,014**
Reserved for long-term loans and advances	26,734	5	263,175	**289,914**
Reserved for restricted purposes	2,936	-	-	**2,936**
Unreserved	978,491	78,304	250,467	**1,307,262**
Total fund balance	1,151,947	87,383	513,642	**1,752,972**
Total liabilities and fund balance	$ 1,988,417	$ 88,527	$ 604,208	**$ 2,681,152**

State of Indiana
Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2003
(amounts expressed in thousands)

	Non-Major Special Revenue Funds	Non-Major Capital Projects Funds	Non-Major Permanent Funds	Total
Revenues:				
Taxes:				
Income	$ 125,777	$ -	$ -	**$ 125,777**
Sales	87,153	-	-	**87,153**
Fuels	310,184	-	-	**310,184**
Gaming	588,764	-	-	**588,764**
Alcohol and tobacco	42,295	15,946	-	**58,241**
Insurance	2,707	-	-	**2,707**
Financial Institutions	106,963	-	-	**106,963**
Other	95,782	-	-	**95,782**
Total taxes	1,359,625	15,946	-	**1,375,571**
Current service charges	803,684	68	6,740	**810,492**
Investment income	14,868	120	2,118	**17,106**
Sales/rents	24,410	-	-	**24,410**
Grants	2,798,110	15,179	-	**2,813,289**
Other	183,579	377	25,925	**209,881**
Total revenues	5,184,276	31,690	34,783	**5,250,749**
Expenditures:				
Current:				
General government	445,870	-	20,137	**466,007**
Public safety	366,189	23,624	-	**389,813**
Health	182,007	1,150	-	**183,157**
Welfare	2,082,556	363	-	**2,082,919**
Conservation, culture and development	397,430	-	-	**397,430**
Education	771,187	-	-	**771,187**
Transportation	172,798	-	-	**172,798**
Total expenditures	4,418,037	25,137	20,137	**4,463,311**
Excess (deficiency) of revenues over expenditures	766,239	6,553	14,646	**787,438**
Other financing sources (uses):				
Transfers in	1,651,234	6,039	33,483	**1,690,756**
Transfers (out)	(2,473,522)	(3,225)	(5,764)	**(2,482,511)**
Total other financing sources (uses)	(822,288)	2,814	27,719	**(791,755)**
Net change in fund balances	(56,049)	9,367	42,365	**(4,317)**
Fund Balance July 1, as restated	1,207,996	78,016	471,277	**1,757,289**
Fund Balance June 30	**$ 1,151,947**	**$ 87,383**	**$ 513,642**	**$ 1,752,972**

State of Indiana
Combining Balance Sheet
Non-Major Special Revenue Funds
June 30, 2003
(amounts expressed in thousands)

	County Welfare Administration	State Gaming Fund	State and Federal Welfare Assistance	Bureau of Motor Vehicles Commission	Health and Environmental Programs
Assets:					
Cash, cash equivalents and investments-unrestricted	$ -	$ 61,738	$ 50,467	$ 9,722	$ 29,741
Securities lending collateral	-	-	-	-	-
Receivables:					
Taxes (net of allowance for uncollectible accounts)	-	2,221	-	-	-
Securities lending	-	-	8	-	-
Accounts	-	-	-	330	-
Grants	-	-	2,846	-	966
Interest	-	-	-	-	-
Interfund loans	-	-	-	-	-
Prepaid expenditures	-	3	-	-	17
Loans	-	-	-	-	-
Total assets	$ -	$ 63,962	$ 53,321	$ 10,052	$ 30,724
Liabilities:					
Accounts payable	$ 964	$ (4,596)	$ 16,371	$ 1,393	$ 3,705
Salaries and benefits payable	6,708	98	202	1,990	1,776
Interfund loans	6,724	-	-	-	-
Interfunds services used	509	19	7	31	63
Intergovernmental payable	-	9,911	-	-	-
Tax refunds payable	-	-	-	-	-
Deferred revenue	-	-	-	-	2,577
Accrued liability for compensated absences-current	516	7	11	131	148
Securities lending payable	-	-	8	-	-
Securities lending collateral	-	-	-	-	-
Total liabilities	15,421	5,439	16,599	3,545	8,269
Fund balance:					
Reserved:					
Encumbrances	849	139	1,022	32	6,072
Special purposes	-	-	2,846	-	966
Interfund loans	-	-	-	-	-
Reserved for long-term loans and advances	-	-	-	-	-
Reserved for restricted purposes	-	-	-	-	-
Unreserved	(16,270)	58,384	32,854	6,475	15,417
Total fund balance	(15,421)	58,523	36,722	6,507	22,455
Total liabilities and fund balance	$ -	$ 63,962	$ 53,321	$ 10,052	$ 30,724

Patients Compensation	Student Loan Program	Primary Road and Street	Federal Food Stamp Program	Bureau of Motor Vehicles Holding Account	Medicaid Indigent Care Trust	Other Non-Major Special Revenue Funds	Total
$ 48,533	$ 9,126	$ 4,242	$ 1	$ 8,745	$ 149,996	$ 916,762	**$ 1,289,073**
25,469	8,500	-	-	-	120,300	216,708	**370,977**
-	-	13,742	-	-	-	235,482	**251,445**
108	17	-	-	-	206	478	**817**
671	-	-	-	1,129	-	14,349	**16,479**
-	-	-	-	-	-	25,615	**29,427**
-	-	-	-	-	-	486	**486**
-	-	-	-	-	-	436	**436**
-	-	-	-	-	-	2,276	**2,296**
-	-	-	-	-	-	26,981	**26,981**
$ 74,781	$ 17,643	$ 17,984	$ 1	$ 9,874	$ 270,502	$ 1,439,573	**$ 1,988,417**
$ 52,533	$ -	$ -	$ 89	$ -	$ -	$ 72,396	**$ 142,855**
16	-	-	-	-	-	16,457	**27,247**
-	-	-	522	-	-	2,843	**10,089**
-	-	-	-	-	-	1,573	**2,202**
-	-	6,841	-	-	-	72,830	**89,582**
-	-	-	-	-	-	5,561	**5,561**
-	-	7,976	-	-	-	174,564	**185,117**
1	-	-	-	-	-	1,209	**2,023**
108	17	-	-	-	206	478	**817**
25,469	8,500	-	-	-	120,300	216,708	**370,977**
78,127	8,517	14,817	611	-	120,506	564,619	**836,470**
2	-	-	-	-	-	115,098	**123,214**
-	-	(6,841)	-	-	-	23,165	**20,136**
-	-	-	-	-	-	436	**436**
-	-	-	-	-	-	26,734	**26,734**
-	-	-	-	-	-	2,936	**2,936**
(3,348)	9,126	10,008	(610)	9,874	149,996	706,585	**978,491**
(3,346)	9,126	3,167	(610)	9,874	149,996	874,954	**1,151,947**
$ 74,781	$ 17,643	$ 17,984	$ 1	$ 9,874	$ 270,502	$ 1,439,573	**$ 1,988,417**

State of Indiana
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Special Revenue Funds
For the Year Ended June 30, 2003
(amounts expressed in thousands)

	County Welfare Administration	State Gaming Fund	State and Federal Welfare Assistance	Bureau of Motor Vehicles Commission	Health and Environmental Programs
Revenues:					
Taxes:					
Income	$ -	$ -	$ -	$ -	$ -
Sales	-	-	-	-	-
Fuels	-	-	-	-	-
Gaming	-	589,527	-	-	-
Alcohol and tobacco	-	-	-	-	-
Insurance	-	-	-	-	-
Financial Institutions	-	-	-	-	-
Other	-	-	4,271	-	-
Total taxes	-	589,527	4,271	-	-
Current service charges	-	4,527	-	79,981	44
Investment income	-	-	140	-	-
Sales/rents	-	-	-	-	-
Grants	-	-	360,954	-	120,243
Other	14	181	4,735	20	29,902
Total revenues	14	594,235	370,100	80,001	150,189
Expenditures:					
Current:					
General government	-	102,568	68	-	-
Public safety	-	-	-	66,469	-
Health	-	-	-	-	129,894
Welfare	204,857	-	399,341	-	-
Conservation, culture and development	-	92	-	-	45,866
Education	-	-	-	-	-
Transportation	-	-	-	-	-
Total expenditures	204,857	102,660	399,409	66,469	175,760
Excess (deficiency) of revenues over expenditures	(204,843)	491,575	(29,309)	13,532	(25,571)
Other financing sources (uses):					
Transfers in	272,973	33,079	183,742	86	37,190
Transfers (out)	(73,161)	(497,817)	(151,849)	(14,276)	(4,905)
Total other financing sources (uses)	199,812	(464,738)	31,893	(14,190)	32,285
Net change in fund balances	(5,031)	26,837	2,584	(658)	6,714
Fund Balance July 1, as restated	(10,390)	31,686	34,138	7,165	15,741
Fund Balance June 30	**$ (15,421)**	**$ 58,523**	**$ 36,722**	**$ 6,507**	**$ 22,455**

Patients Compensation	Student Loan Program	Primary Road and Street	Federal Food Stamp Program	Bureau of Motor Vehicles Holding Account	Medicaid Indigent Care Trust	Other Non-Major Special Revenue Funds	Total
$ -	$ -	$ -	$ -	$ -	$ -	$ 125,777	**$ 125,777**
-	-	-	-	-	-	87,153	**87,153**
-	-	162,835	-	-	-	147,349	**310,184**
-	-	-	-	-	-	(763)	**588,764**
-	-	-	-	-	-	42,295	**42,295**
-	-	-	-	-	-	2,707	**2,707**
-	-	-	-	-	-	106,963	**106,963**
-	-	5,062	-	-	-	86,449	**95,782**
-	-	167,897	-	-	-	597,930	**1,359,625**
59,971	-	99	-	309,866	-	349,196	**803,684**
344	292	-	-	-	3,936	10,156	**14,868**
-	-	-	-	-	-	24,410	**24,410**
-	-	-	493,282	-	306,778	1,516,853	**2,798,110**
-	-	-	-	-	-	148,727	**183,579**
60,315	292	167,996	493,282	309,866	310,714	2,647,272	**5,184,276**
222	139	76,941	-	-	1,741	264,191	**445,870**
100,245	-	-	-	18,526	-	180,949	**366,189**
-	-	-	-	-	-	52,113	**182,007**
-	-	-	463,838	-	264,639	749,881	**2,082,556**
-	-	-	-	-	-	351,472	**397,430**
-	-	-	-	-	-	771,187	**771,187**
-	-	-	-	-	-	172,798	**172,798**
100,467	139	76,941	463,838	18,526	266,380	2,542,591	**4,418,037**
(40,152)	153	91,055	29,444	291,340	44,334	104,681	**766,239**
-	-	65,054	225	-	9,659	1,049,226	**1,651,234**
-	-	(154,257)	(29,111)	(291,692)	(21,000)	(1,235,454)	**(2,473,522)**
-	-	(89,203)	(28,886)	(291,692)	(11,341)	(186,228)	**(822,288)**
(40,152)	153	1,852	558	(352)	32,993	(81,547)	**(56,049)**
36,806	8,973	1,315	(1,168)	10,226	117,003	956,501	**1,207,996**
$ (3,346)	**$ 9,126**	**$ 3,167**	**$ (610)**	**$ 9,874**	**$ 149,996**	**$ 874,954**	**$ 1,151,947**

State of Indiana
Combining Balance Sheet
Non-Major Capital Projects Funds
June 30, 2003
(amounts expressed in thousands)

	Army National Guard Construction	Post War Construction	Other Non-Major Capital Projects Funds	Total
Assets:				
Cash, cash equivalents and investments-unrestricted	$ 63	$ 50,208	$ 36,160	**$ 86,431**
Receivables:				
Taxes (net of allowance for uncollectible accounts)	-	1,503	-	**1,503**
Securities lending	-	-	5	**5**
Interest	-	-	5	**5**
Interfund loans	-	578	-	**578**
Loans	-	5	-	**5**
Total assets	$ 63	$ 52,294	$ 36,170	**$ 88,527**
Liabilities:				
Accounts payable	$ 849	$ 34	$ 35	**$ 918**
Deferred revenue	104	117	-	**221**
Securities lending payable	-	-	5	**5**
Total liabilities	953	151	40	**1,144**
Fund balance:				
Reserved:				
Encumbrances	8	7,953	535	**8,496**
Interfund loans	-	578	-	**578**
Reserved for long-term loans and advances	-	5	-	**5**
Unreserved	(898)	43,607	35,595	**78,304**
Total fund balance	(890)	52,143	36,130	**87,383**
Total liabilities and fund balance	$ 63	$ 52,294	$ 36,170	**$ 88,527**

State of Indiana
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Capital Projects Funds
For the Year Ended June 30, 2003
(amounts expressed in thousands)

	Army National Guard Construction	Post War Construction	Other Non-Major Capital Projects Funds	Total
Revenues:				
Taxes:				
Alcohol and tobacco	-	15,946	-	**15,946**
Total taxes	-	15,946	-	**15,946**
Current service charges	-	-	68	**68**
Investment income	-	-	120	**120**
Grants	14,223	-	956	**15,179**
Other	-	-	377	**377**
Total revenues	14,223	15,946	1,521	**31,690**
Expenditures:				
Current:				
Public safety	14,354	8,580	690	**23,624**
Health	-	11	1,139	**1,150**
Welfare	-	363	-	**363**
Total expenditures	14,354	8,954	1,829	**25,137**
Excess (deficiency) of revenues over expenditures	(131)	6,992	(308)	**6,553**
Other financing sources (uses):				
Transfers in	-	717	5,322	**6,039**
Transfers (out)	-	(284)	(2,941)	**(3,225)**
Total other financing sources (uses)	-	433	2,381	**2,814**
Net change in fund balances	(131)	7,425	2,073	**9,367**
Fund Balance July 1, as restated	(759)	44,718	34,057	**78,016**
Fund Balance June 30	**$ (890)**	**$ 52,143**	**$ 36,130**	**$ 87,383**

State of Indiana
Combining Balance Sheet
Non-Major Permanent Funds
June 30, 2003
(amounts expressed in thousands)

	Commom School, Principal	Veterans' Memorial School Construction	Other Non-Major Permanent Funds	Total
Assets:				
Cash, cash equivalents and investments-unrestricted	$ 132,756	$ 1,034	$ 3,034	**$ 136,824**
Securities lending collateral	90,450	-	-	**90,450**
Receivables:				
Securities lending	116	-	-	**116**
Loans	376,178	640	-	**376,818**
Total assets	$ 599,500	$ 1,674	$ 3,034	**$ 604,208**
Liabilities:				
Securities lending payable	116	-	-	**116**
Securities lending collateral	90,450	-	-	**90,450**
Total liabilities	90,566	-	-	**90,566**
Fund balance:				
Reserved:				
Reserved for long-term loans and advances	262,603	572	-	**263,175**
Unreserved	246,331	1,102	3,034	**250,467**
Total fund balance	508,934	1,674	3,034	**513,642**
Total liabilities and fund balance	$ 599,500	$ 1,674	$ 3,034	**$ 604,208**

State of Indiana
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Permanent Funds
For the Year Ended June 30, 2003
(amounts expressed in thousands)

	Commom School, Principal	Veterans' Memorial School Construction	Other Non-Major Permanent Funds	Total
Revenues:				
Current service charges	6,740	-	-	**6,740**
Investment income	2,095	-	23	**2,118**
Other	25,925	-	-	**25,925**
Total revenues	34,760	-	23	**34,783**
Expenditures:				
Current:				
General government	20,119	-	18	**20,137**
Total expenditures	20,119	-	18	**20,137**
Excess (deficiency) of revenues over expenditures	14,641	-	5	**14,646**
Other financing sources (uses):				
Transfers in	33,475	8	-	**33,483**
Transfers (out)	(5,764)	-	-	**(5,764)**
Total other financing sources (uses)	27,711	8	-	**27,719**
Net change in fund balances	42,352	8	5	**42,365**
Fund Balance July 1, as restated	466,582	1,666	3,029	**471,277**
Fund Balance June 30	**$ 508,934**	**$ 1,674**	**$ 3,034**	**$ 513,642**

State of Indiana
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Non-Major Funds (Budgetary Basis)
For the Year Ended June 30, 2003
(amounts expressed in thousands)

	County Welfare Administration			
	Budget		Actual	Variance to Final Budget
	Original	Final		
Revenues:				
Taxes:				
Income	$ -	$ -	$ -	$ -
Sales	-	-	-	-
Fuels	-	-	-	-
Gaming	-	-	-	-
Alcohol and tobacco	-	-	-	-
Insurance	-	-	-	-
Financial institutions	-	-	-	-
Other	-	-	-	-
Total taxes	-	-	-	-
Current service charges	-	-	-	-
Investment income	-	-	-	-
Sales/rents	-	-	-	-
Grants	-	-	-	-
Other	10	10	14	4
Total revenues	10	10	14	4
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Health	-	-	-	-
Welfare	-	202,676	202,676	-
Conservation, culture and development	-	-	-	-
Education	-	-	-	-
Transportation	-	-	-	-
Other	-	-	-	-
Total expenditures	-	202,676	202,676	-
Excess of revenues over (under) expenditures	10	(202,666)	(202,662)	(4)
Other financing sources (uses):				
Total other financing sources (uses)	196,987	196,987	199,812	2,825
Net change in fund balances	$ 196,997	$ (5,679)	$ (2,850)	$ 2,829
Fund balances July 1, as restated			(3,874)	
Fund balances June 30			**$ (6,724)**	

See the accompanying notes to the financial statements.

State Gaming Fund				State and Federal Welfare Assistance			
Budget		Actual	Variance to Final Budget	Budget		Actual	Variance to Final Budget
Original	Final			Original	Final		
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
383,752	383,752	588,608	204,856	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	5,800	5,800	4,271	(1,529)
383,752	383,752	588,608	204,856	5,800	5,800	4,271	(1,529)
1,276	1,276	4,527	3,251	-	-	-	-
-	-	-	-	120	120	94	(26)
-	-	-	-	-	-	-	-
-	-	-	-	381,772	381,772	361,069	(20,703)
336	336	181	(155)	20,226	20,226	4,735	(15,491)
385,364	385,364	593,316	207,952	407,918	407,918	370,169	(37,749)
2,827	156,203	97,269	58,934	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	452,459	402,061	50,398
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
2,827	156,203	97,269	58,934	-	452,459	402,061	50,398
382,537	229,161	496,047	(266,886)	407,918	(44,541)	(31,892)	(12,649)
(472,617)	(472,617)	(464,738)	7,879	153,040	153,040	31,893	(121,147)
$ (90,080)	$ (243,456)	$ 31,309	$ 274,765	$ 560,958	$ 108,499	$ 1	$ (108,498)
		30,429				50,466	
		$ 61,738				**$ 50,467**	

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State of Indiana
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Non-Major Funds (Budgetary Basis)
For the Year Ended June 30, 2003
(amounts expressed in thousands)

	Bureau of Motor Vehicles Commission			
	Budget		Actual	Variance to Final Budget
	Original	Final		
Revenues:				
Taxes:				
Income	$ -	$ -	$ -	$ -
Sales	-	-	-	-
Fuels	-	-	-	-
Gaming	-	-	-	-
Alcohol and tobacco	-	-	-	-
Insurance	-	-	-	-
Financial institutions	-	-	-	-
Other	-	-	-	-
Total taxes	-	-	-	-
Current service charges	69,987	69,987	80,054	10,067
Investment income	-	-	-	-
Sales/rents	-	-	-	-
Grants	-	-	-	-
Other	25	25	20	(5)
Total revenues	70,012	70,012	80,074	10,062
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	90,860	65,325	25,535
Health	-	-	-	-
Welfare	-	-	-	-
Conservation, culture and development	-	-	-	-
Education	-	-	-	-
Transportation	-	-	-	-
Other	-	-	-	-
Total expenditures	-	90,860	65,325	25,535
Excess of revenues over (under) expenditures	70,012	(20,848)	14,749	(35,597)
Other financing sources (uses):				
Total other financing sources (uses)	(13,778)	(13,778)	(14,190)	(412)
Net change in fund balances	$ 56,234	$ (34,626)	$ 559	$ 35,185
Fund balances July 1, as restated			9,163	
Fund balances June 30			**$ 9,722**	

Health and Environmental Programs				Patients Compensation			
Budget		Actual	Variance to Final Budget	Budget		Actual	Variance to Final Budget
Original	Final			Original	Final		
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
39	39	44	5	63,673	63,673	64,863	1,190
-	-	-	-	2,424	2,424	520	(1,904)
-	-	-	-	-	-	-	-
130,309	130,309	108,714	(21,595)	-	-	-	-
29,681	29,681	29,902	221	1	1	-	(1)
160,029	160,029	138,660	(21,369)	66,098	66,098	65,383	(715)
-	-	-	-	-	-	-	-
-	-	-	-	904	127,658	96,779	30,879
-	130,372	130,372	-	-	-	-	-
-	-	-	-	-	-	-	-
-	89,965	45,813	44,152	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	220,337	176,185	44,152	904	127,658	96,779	30,879
160,029	(60,308)	(37,525)	(22,783)	65,194	(61,560)	(31,396)	(30,164)
36,182	36,182	32,285	(3,897)	-	-	-	-
$ 196,211	$ (24,126)	$ (5,240)	$ 18,886	$ 65,194	$ (61,560)	$ (31,396)	$ 30,164
		34,982				79,929	
		$ 29,742				**$ 48,533**	

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State of Indiana
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Non-Major Funds (Budgetary Basis)
For the Year Ended June 30, 2003
(amounts expressed in thousands)

	Student Loan Program Fund			
	Budget		Actual	Variance to Final Budget
	Original	Final		
Revenues:				
Taxes:				
Income	$ -	$ -	$ -	$ -
Sales	-	-	-	-
Fuels	-	-	-	-
Gaming	-	-	-	-
Alcohol and tobacco	-	-	-	-
Insurance	-	-	-	-
Financial institutions	-	-	-	-
Other	-	-	-	-
Total taxes	-	-	-	-
Current service charges	-	-	-	-
Investment income	667	667	155	(512)
Sales/rents	-	-	-	-
Grants	-	-	-	-
Other	-	-	-	-
Total revenues	667	667	155	(512)
Expenditures:				
Current:				
General government	-	648	-	648
Public safety	-	-	-	-
Health	-	-	-	-
Welfare	-	-	-	-
Conservation, culture and development	-	-	-	-
Education	-	-	-	-
Transportation	-	-	-	-
Other	-	-	-	-
Total expenditures	-	648	-	648
Excess of revenues over (under) expenditures	667	19	155	(136)
Other financing sources (uses):				
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	$ 667	$ 19	$ 155	$ 136
Fund balances July 1, as restated			8,971	
Fund balances June 30			**$ 9,126**	

Primary Road and Street				Federal Food Stamp Program			
Budget		Actual	Variance to Final Budget	Budget		Actual	Variance to Final Budget
Original	Final			Original	Final		
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-	-
157,130	157,130	161,247	4,117	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
5,943	5,943	5,043	(900)	-	-	-	-
163,073	163,073	166,290	3,217	-	-	-	-
102	102	99	(3)	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	32,498	32,498	30,839	(1,659)
-	-	-	-	-	-	-	-
163,175	163,175	166,389	3,214	32,498	32,498	30,839	(1,659)
-	82,965	77,400	5,565	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	1,419	1,419	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	82,965	77,400	5,565	-	1,419	1,419	-
163,175	80,210	88,989	(8,779)	32,498	31,079	29,420	1,659
(87,237)	(87,237)	(89,203)	(1,966)	(28,547)	(28,547)	(28,886)	(339)
$ 75,938	$ (7,027)	$ (214)	$ 6,813	$ 3,951	$ 2,532	$ 534	$ (1,998)
		4,455				(1,055)	
		$ 4,241				**$ (521)**	

continued on next page

State of Indiana
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Non-Major Funds (Budgetary Basis)
For the Year Ended June 30, 2003
(amounts expressed in thousands)

	Bureau of Motor Vehicles Holding Account			
	Budget		Actual	Variance to Final Budget
	Original	Final		
Revenues:				
Taxes:				
Income	$ -	$ -	$ -	$ -
Sales	-	-	-	-
Fuels	-	-	-	-
Gaming	-	-	-	-
Alcohol and tobacco	-	-	-	-
Insurance	-	-	-	-
Financial institutions	-	-	-	-
Other	-	-	-	-
Total taxes	-	-	-	-
Current service charges	284,760	284,760	309,798	25,038
Investment income	-	-	-	-
Sales/rents	-	-	-	-
Grants	-	-	-	-
Other	-	-	-	-
Total revenues	284,760	284,760	309,798	25,038
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	27,271	18,525	8,746
Health	-	-	-	-
Welfare	-	-	-	-
Conservation, culture and development	-	-	-	-
Education	-	-	-	-
Transportation	-	-	-	-
Other	-	-	-	-
Total expenditures	-	27,271	18,525	8,746
Excess of revenues over (under) expenditures	284,760	257,489	291,273	(33,784)
Other financing sources (uses):				
Total other financing sources (uses)	(291,661)	(291,661)	(291,692)	(31)
Net change in fund balances	$ (6,901)	$ (34,172)	$ (419)	$ 33,753
Fund balances July 1, as restated			9,165	
Fund balances June 30			**$ 8,746**	

Medicaid Indigent Care Trust				Other Non-Major Special Revenue Funds			
Budget		Actual	Variance to Final Budget	Budget		Actual	Variance to Final Budget
Original	Final			Original	Final		
$ -	$ -	$ -	$ -	$ 105,542	$ 105,542	$ 127,378	$ 21,836
-	-	-	-	76,712	76,712	87,768	11,056
-	-	-	-	141,964	141,964	146,824	4,860
-	-	-	-	-	-	(763)	(763)
-	-	-	-	47,196	47,196	45,663	(1,533)
-	-	-	-	3,034	3,034	2,707	(327)
-	-	-	-	48,258	48,258	116,775	68,517
-	-	-	-	86,329	86,329	86,467	138
-	-	-	-	509,035	509,035	612,819	103,784
-	-	-	-	351,001	351,001	343,111	(7,890)
5,243	5,243	2,349	(2,894)	10,976	10,976	5,690	(5,286)
-	-	-	-	88,569	88,569	5,738	(82,831)
351,619	351,619	306,778	(44,841)	1,440,095	1,440,095	1,539,736	99,641
-	-	-	-	102,319	102,319	148,571	46,252
356,862	356,862	309,127	(47,735)	2,501,995	2,501,995	2,655,665	153,670
-	-	-	-	22,191	324,299	257,250	67,049
-	-	-	-	74,274	232,382	160,037	72,345
-	-	-	-	1,020	68,418	49,033	19,385
-	294,938	264,639	30,299	-	823,180	742,820	80,360
-	-	-	-	142,836	656,799	353,417	303,382
-	-	-	-	327	789,379	768,144	21,235
-	-	-	-	102,986	242,914	172,899	70,015
-	-	-	-	-	1	1	-
-	294,938	264,639	30,299	343,634	3,137,372	2,503,601	633,771
356,862	61,924	44,488	17,436	2,158,361	(635,377)	152,064	(787,441)
(12,720)	(12,720)	(11,341)	1,379	565,687	565,687	(186,228)	(751,915)
$ 344,142	$ 49,204	$ 33,147	$ (16,057)	$ 2,724,048	$ (69,690)	$ (34,164)	$ 35,526
		116,849				959,064	
		$ 149,996				**$ 924,900**	

Budget/GAAP Reconciliation
Nonmajor Special Revenue Funds

The cash basis of accounting (budgetary basis) is applied to each budget. The budgetary basis differs from GAAP. The major differences between budgetary (non-GAAP) basis and GAAP basis are:

(amounts expressed in thousands)	**Nonmajor Special Revenue Funds**
Net change in fund balances (budgetary basis)	$ (9,537)
Adjustments necessary to convert the results of operations on a budgetary basis to a GAAP basis are:	
Revenues are recorded when earned (GAAP) as opposed to when cash is received (budgetary)	401,688
Expenditures are recorded when the liability is incurred (GAAP) as opposed to when payment is made (budgetary)	(447,243)
Funds not subject to legally adopted budget	(957)
Net change in fund balances (GAAP basis)	**$ (56,049)**

INTERNAL SERVICE FUNDS

Internal Service Funds account for the operations of State agencies that supply goods or services to other agencies of governmental units on a cost-reimbursement basis.

Institutional Industries - This fund accounts for revenues and expenses incurred from the operation of inmate employment programs. Goods produced or manufactured as a result of such programs are sold to state agencies and political subdivisions of the State as well as to the general public.

Administrative Services Revolving – This fund is used to account for the following three rotary funds.

Division of Information Technology Services provides telecommunications and data processing services to State agencies. Revenues consist of charges to user agencies.

Motor Pool Rotary Fund accounts for the operation and maintenance of State garages including the servicing and repair of all automotive equipment owned or controlled by the State. Revenues consist of charges to user agencies.

Printing Rotary Fund accounts for the operation of the State Print Shop, which provides printing services to other State agencies. Revenues consist of charges to user agencies.

Indiana Transportation Finance Authority Highway Bond Fund - This fund accounts for the financing of improvements for highway road and bridge projects that are managed by the Indiana Department of Transportation.

State Office Building Commission - This Commission, created as a public body both corporate and politic, is authorized by statute to issue debt obligations for financing of the Indiana Government Center and certain correctional facilities. The facilities are rented to the State of Indiana on a cost-reimbursement basis.

Recreational Development Commission - This Commission, created as a public body both corporate and politic, is authorized by statute to issue debt obligations for financing of the construction and renovation of state park inns. Lease agreements with the inns produce revenues sufficient to make the bond payments.

Self-Insurance Funds - The self-insurance funds consist of the **State Police Health Insurance Fund, State Employee Disability Fund, and the State Employee Health Insurance Fund.** These funds administer health insurance and disability plans for state employees and state police personnel.

State of Indiana
Combining Statement of Net Assets
Internal Service Funds
June 30, 2003
(amounts expressed in thousands)

	Institutional Industries	Administrative Services Revolving	Transportation Finance Authority Highway Bonds	State Office Building Commission
Assets				
Current assets:				
Cash, cash equivalents and investments - unrestricted	$ 1,775	$ 25,348	$ 54,833	$ 5,858
Receivables:				
Accounts	1,779	181	23,890	7,825
Interest	-	-	58	-
Interfund services provided	5,158	3,776	-	-
Interfund loans	-	-	-	120
Investment in direct financing lease	-	-	149,690	-
Inventory	5,827	144	-	-
Prepaid expenses	-	2,915	-	-
Total current assets	14,539	32,364	228,471	13,803
Noncurrent assets:				
Cash, cash equivalents and investments - restricted	-	-	-	152,099
Interest receivable - restricted	-	-	-	134
Bond issuance costs - net of amortization	-	-	-	10,915
Investment in direct financing lease	-	-	661,011	-
Property, plant and equipment net of accumulated depreciation	4,674	4,398	-	813,885
Other assets	39	-	-	-
Total noncurrent assets	4,713	4,398	661,011	977,033
Total assets	**19,252**	**36,762**	**889,482**	**990,836**
Liabilities				
Current liabilities:				
Accounts payable	2,495	1,586	62	1,462
Interfund loans	-	-	19,716	2,693
Salaries and benefits payable	749	538	-	-
Interest payable	-	-	2,940	40,195
Capital lease payable	-	59	-	-
Current portion of long-term debt	-	-	20,525	31,845
Health/disability benefits payable	-	-	-	-
Accrued liability for compensated absences	473	669	-	-
Deferred revenue	2	5,394	-	-
Total current liabilities	3,719	8,246	43,243	76,195
Noncurrent liabilities:				
Construction retention	-	-	-	1,235
Accrued liability for compensated absences	345	485	-	-
Capital lease payable	-	52	-	-
Interfund loans	-	-	-	-
Amount due federal government	-	-	-	295
Revenue bonds/notes payable	-	-	811,126	852,657
Total noncurrent liabilites	345	537	811,126	854,187
Total liabilities	**4,064**	**8,783**	**854,369**	**930,382**
Net assets				
Invested in capital assets net of related debt	4,674	4,287	20,950	47,306
Restricted-expendable				
Future debt service	-	-	13,803	-
Other purposes	-	-	-	193
Unrestricted (deficit)	10,514	23,692	360	12,955
Total net assets	**$ 15,188**	**$ 27,979**	**$ 35,113**	**$ 60,454**

Recreational Development Commission	State Police Health Insurance Fund	State Employee Disability Fund	State Employee Health Insurance Fund	Total
$ 501	$ 4,422	$ 1,985	$ 45,729	**$ 140,451**
-	1,134	1,209	545	**36,563**
2	-	-	-	**60**
-	-	-	-	**8,934**
300	-	-	-	**420**
-	-	-	-	**149,690**
-	-	-	-	**5,971**
106	-	-	-	**3,021**
909	5,556	3,194	46,274	**345,110**
6,893	-	-	-	**158,992**
4	-	-	-	**138**
424	-	-	-	**11,339**
-	-	-	-	**661,011**
18,935	-	-	-	**841,892**
-	-	-	-	**39**
26,256	-	-	-	**1,673,411**
27,165	**5,556**	**3,194**	**46,274**	**2,018,521**
684	17	75	47	**6,428**
-	-	-	-	**22,409**
-	-	-	-	**1,287**
706	-	-	-	**43,841**
-	-	-	-	**59**
405	-	-	-	**52,775**
-	1,707	5,097	14,754	**21,558**
-	-	-	-	**1,142**
-	-	-	-	**5,396**
1,795	1,724	5,172	14,801	**154,895**
-	-	-	-	**1,235**
-	-	-	-	**830**
-	-	-	-	**52**
500	-	-	-	**500**
-	-	-	-	**295**
26,265	-	-	-	**1,690,048**
26,765	-	-	-	**1,692,960**
28,560	**1,724**	**5,172**	**14,801**	**1,847,855**
-	-	-	-	**77,217**
-	-	-	-	**13,803**
-	-	-	-	**193**
(1,395)	3,832	(1,978)	31,473	**79,453**
$ (1,395)	**$ 3,832**	**$ (1,978)**	**$ 31,473**	**$ 170,666**

State of Indiana
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
Internal Service Funds
For the Fiscal Year Ended June 30, 2003

(amounts expressed in thousands)

	Institutional Industries	Administrative Services Revolving	Transportation Finance Authority Highway Bonds	State Office Building Commission
Operating revenues:				
Sales/rents/premiums	$ 45,528	$ 51,853	$ 38,118	$ 80,485
Charges for services	-	660	-	-
Other	205	-	-	-
Total operating revenues	45,733	52,513	38,118	80,485
Cost of sales	21,272	1,343	-	-
Gross margin	24,461	51,170	38,118	80,485
Operating expenses:				
General and administrative expense	19,629	50,245	643	2,288
Health / disability benefit payments	-	-	-	-
Depreciation and amortization	1,042	1,480	-	23,881
Other	-	-	359	-
Total operating expenses	20,671	51,725	1,002	26,169
Operating income (loss)	3,790	(555)	37,116	54,316
Nonoperating revenues (expenses):				
Interest and other investment income	-	-	1,246	1,480
Interest and other investment expense	-	(9)	(38,818)	(40,580)
Gain (Loss) on disposition of assets	(54)	(157)	-	-
Other	-	-	-	351
Total nonoperating revenues (expenses)	(54)	(166)	(37,572)	(38,749)
Income before contributions and transfers	3,736	(721)	(456)	15,567
Transfers in	9,292	-	-	-
Transfers (out)	(15,877)	-	(22,054)	-
Change in net assets	(2,849)	(721)	(22,510)	15,567
Total net assets, July 1, as restated	18,037	28,700	57,623	44,887
Total net assets, June 30	**$ 15,188**	**$ 27,979**	**$ 35,113**	**$ 60,454**

Recreational Development Commission	State Police Health Insurance Fund	State Employee Disability Fund	State Employee Health Insurance Fund	Total
$ 1,720	$ 19,475	$ 23,523	$ 123,294	**$ 383,996**
-	-	756	-	**1,416**
-	-	-	45	**250**
1,720	19,475	24,279	123,339	**385,662**
-	-	-	-	**22,615**
1,720	19,475	24,279	123,339	**363,047**
327	719	1,406	6,496	**81,753**
-	19,803	26,288	107,969	**154,060**
794	-	-	-	**27,197**
-	-	-	-	**359**
1,121	20,522	27,694	114,465	**263,369**
599	(1,047)	(3,415)	8,874	**99,678**
52	-	-	-	**2,778**
(1,480)	-	-	-	**(80,887)**
-	-	-	-	**(211)**
-	-	-	-	**351**
(1,428)	-	-	-	**(77,969)**
(829)	(1,047)	(3,415)	8,874	**21,709**
-	-	-	-	**9,292**
-	-	-	-	**(37,931)**
(829)	(1,047)	(3,415)	8,874	**(6,930)**
(566)	4,879	1,437	22,599	**177,596**
$ (1,395)	**$ 3,832**	**$ (1,978)**	**$ 31,473**	**$ 170,666**

State of Indiana
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended
June 30, 2003

(amounts expressed in thousands)

	Institutional Industries	Administrative Services Revolving	Transportation Finance Authority Highway Bonds	State Office Building Commission
Cash flows from operating activities:				
Cash received from customers	$ 43,397	$ 52,095	$ 60,172	$ 76,759
Cash paid for general and administrative	(18,848)	(49,422)	(643)	(749)
Cash paid for salary/health/disability benefit payments	-	-	-	-
Cash paid to suppliers	(17,889)	(1,402)	-	(1,313)
Net cash provided (used) by operating activities	6,660	1,271	59,529	74,697
Cash flows from noncapital financing activities:				
Operating transfers in	9,292	-	-	-
Operating transfers out	(15,877)	-	(22,054)	-
Net cash provided (used) by noncapital financing activities	(6,585)	-	(22,054)	-
Cash flows from capital and related financing activities:				
Acquisition/construction of capital assets	(809)	(949)	(155,931)	(39,087)
Proceeds from sale of assets	37	138	19,870	-
Proceeds from issuance of notes payable/bonds payable	-	-	150,384	123,398
Principal payments -- capital leases	(4)	(56)	-	-
Principal payments -- bonds/notes	-	-	(19,870)	(118,078)
Interfund loan	-	-	-	2,693
Capital contributions	-	-	-	3,801
Payment to refunded bond escrow agent	-	-	-	-
Interest paid	-	(9)	(38,771)	(37,197)
Debt issue expense	-	-	(359)	(1,080)
Net cash provided (used) by capital and related financing activities	(776)	(876)	(44,677)	(65,550)
Cash flows from investing activities:				
Proceeds from sales of investments	-	-	-	191,750
Purchase of investments	-	-	-	(200,805)
Interest income (expense) on investments	-	-	1,401	1,393
Net cash provided (used) by investing activities	-	-	1,401	(7,662)
Net increase (decrease) in cash and cash equivalents	(701)	395	(5,801)	1,485
Cash and cash equivalents, July 1	2,476	24,953	60,634	4,430
Cash and cash equivalents, June 30	**$ 1,775**	**$ 25,348**	**$ 54,833**	**$ 5,915**
Reconciliation of cash , cash equivalents and investments:				
Cash and cash equivalents at end of year	$ 1,775	$ 25,348	$ 54,833	$ 5,915
Restricted cash and investments	-	-	-	152,042
Investments unrestricted	-	-	-	-
Cash, cash equivalents and investments per balance sheet	**$ 1,775**	**$ 25,348**	**$ 54,833**	**$ 157,957**

Recreational Development Commission	State Police Health Insurance Fund	State Employee Disability Fund	State Employee Health Insurance Fund	Total
$ 1,720	$ 19,338	$ 24,162	$ 124,270	**$ 401,913**
-	(702)	(1,419)	(6,451)	**(78,234)**
-	(19,996)	(26,283)	(102,965)	**(149,244)**
(366)	-	-	-	**(20,970)**
1,354	(1,360)	(3,540)	14,854	**153,465**
-	-	-	-	**9,292**
-	-	-	-	**(37,931)**
-	-	-	-	**(28,639)**
(416)	-	-	-	**(197,192)**
-	-	-	-	**20,045**
14,679	-	-	-	**288,461**
-	-	-	-	**(60)**
(555)	-	-	-	**(138,503)**
-	-	-	-	**2,693**
-	-	-	-	**3,801**
(10,881)	-	-	-	**(10,881)**
(1,390)	-	-	-	**(77,367)**
(271)	-	-	-	**(1,710)**
1,166	-	-	-	**(110,713)**
4,778	-	-	-	**196,528**
(7,809)	-	-	-	**(208,614)**
53	-	-	-	**2,847**
(2,978)	-	-	-	**(9,239)**
(458)	(1,360)	(3,540)	14,854	**4,874**
659	5,782	5,525	30,875	**135,334**
$ 201	**$ 4,422**	**$ 1,985**	**$ 45,729**	**$ 140,208**
$ 201	$ 4,422	$ 1,985	$ 45,729	**$ 140,208**
6,893	-	-	-	**158,935**
300	-	-	-	**300**
$ 7,394	**$ 4,422**	**$ 1,985**	**$ 45,729**	**$ 299,443**

State of Indiana
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended
June 30, 2003

(amounts expressed in thousands)

	Institutional Industries	Administrative Services Revolving	Transportation Finance Authority Highway Bonds	State Office Building Commission
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating income (loss)	$ 3,790	$ (555)	$ 37,116	$ 54,316
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation/amortization expense	1,042	1,480	-	23,881
(Increase) decrease in receivables	(513)	(90)	20,950	(5,322)
(Increase) decrease in interfund services provided	(1,825)	(269)	-	-
(Increase) decrease in inventory	3,383	(60)	-	-
(Increase) decrease in prepaid expenses	-	443	-	1,672
Increase (decrease) in benefits payable	-	-	-	-
Increase (decrease) in accounts payable	503	483	1,463	150
Increase (decrease) in deferred revenue	2	(59)	-	-
Increase (decrease) in salaries payable	165	22	-	-
Increase (decrease) in compensated absences	114	64	-	-
Increase (decrease) in interfund services used	-	(188)	-	-
Increase (decrease) in other payables	(1)	-	-	-
Net cash provided (used) by operating activities	**$ 6,660**	**$ 1,271**	**$ 59,529**	**$ 74,697**

Recreational Development Commission	State Police Health Insurance Fund	State Employee Disability Fund	Employee Health Insurance Fund	Total
$ 599	$ (1,047)	$ (3,415)	$ 8,874	**$ 99,678**
794	-	-	-	**27,197**
-	(137)	(118)	976	**15,746**
-	-	-	-	**(2,094)**
-	-	-	-	**3,323**
(26)	-	-	-	**2,089**
-	(193)	5	5,004	**4,816**
(13)	17	(12)	-	**2,591**
-	-	-	-	**(57)**
-	-	-	-	**187**
-	-	-	-	**178**
-	-	-	-	**(188)**
-	-	-	-	**(1)**
$ 1,354	**$ (1,360)**	**$ (3,540)**	**$ 14,854**	**$ 153,465**

FIDUCIARY FUNDS

Fiduciary funds account for assets held by or on behalf of the government in a trustee capacity or as an agent on behalf of others.

PENSION TRUST FUNDS

Pension trust funds are used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, and other post-employment benefit plans.

The Public Employees' Retirement Fund – This fund is a defined benefit agent multiple-employer plan administered by the Public Employees' Retirement Fund Board of Trustees.

The State Teachers' Retirement Fund – This fund is a defined benefit, multiple-employer cost-sharing public employee retirement system, administered by the Indiana State Teachers' Retirement Fund Board of Trustees.

Deferred Compensation Plan Fund - This fund is used to account for assets held for employees in accordance with the provisions of the Internal Revenue Code Section 457.

State Police Pension Fund - This fund is used to account for assets held for a defined benefit, single-employer public employee retirement system administered by the Indiana Department of State Police.

PRIVATE-PURPOSE TRUST FUNDS

Private-Purpose trust funds are used to account for trust arrangements in which both the principal and interest may be spent for the benefit of individuals, private organizations or other governments.

Property Custody Fund - This fund is used for safekeeping of funds held as unclaimed until such funds are presumed to be abandoned under IC 32-34-1-32.

Abandoned Property Fund - This fund is used to administer funds transferred from the Property Custody Fund under IC 32-9-1.5. When the balance of the Abandoned Property Fund exceeds $500,000, the Treasurer of State may, and at least once each fiscal year shall, transfer this excess to the Common School fund.

Unclaimed Funds Fund - This fund is used to account for unclaimed warrants, checks, intestate estates, and other unclaimed property.

Private-Purpose Trust Fund - This fund is used to account for a group of fund centers under which principal and interest benefit individuals, private organizations, or other governments.

FIDUCIARY FUNDS

AGENCY FUNDS

Agency funds account for resources that are custodial in nature. They generally are amounts held by the State of Indiana on behalf of third parties.

Employee Payroll, Withholding and Benefits Funds - These funds are used for the disposition of various payroll-related deductions and contributions such as social security and insurance contributions.

Local Distributions Fund - This fund is composed of accounts used to distribute revenue collections to local units of government based upon statutory formulas.

Child Support Fund - This fund is used for the collection and distribution of child support payments.

Department of Insurance Fund - This fund includes security deposits of insurance companies, health maintenance organizations and third party administrators as required.

Other agency funds are composed of various escrows, revenue collection, and agency accounts for which the State acts in an agent capacity until proper disposition of the assets can be made.

State of Indiana
Combining Statement of Fiduciary Net Assets
Pension Trust Funds
June 30, 2003
(amounts expressed in thousands)

	Primary Government		Discrete Component Units		
	Deferred Compensation Plan	State Police Pension Fund	Public Employees' Retirement System	State Teachers' Retirement Fund	Total
Assets:					
Cash and cash equivalents	$ 543,606	$ 11,678	$ 682,589	$ 813,084	**$ 2,050,957**
Securities lending collateral	-	-	759,750	780,207	**1,539,957**
Receivables:					
Contributions	1,276	175	101,309	56,217	**158,977**
Interest	-	2,572	-	31,484	**34,056**
Member loans	-	7,659	580	-	**8,239**
Due from component unit	-	-	5,825	7,479	**13,304**
Due from other funds	-	-	6,837	-	**6,837**
From investment sales	-	-	309,436	60,095	**369,531**
Total receivables	1,276	10,406	423,987	155,275	**590,944**
Investments at fair value:					
US treasury and agency obligations	-	63,163	1,301,896	775,248	**2,140,307**
State and municipal obligations	-	6,813	-	3,306	**10,119**
Domestic corporate bonds and notes	-	66,229	1,067,975	1,193,587	**2,327,791**
Common stock and equity securities	-	125,083	4,668,767	1,893,073	**6,686,923**
Foreign stocks and bonds	-	24,384	97,058	493,502	**614,944**
Mortgage securities	-	-	1,242,966	1,056,637	**2,299,603**
Mutual funds	-	-	436,374	-	**436,374**
Asset backed	-	-	193,423	-	**193,423**
Commercial mortgage backed	-	-	51,651	-	**51,651**
International stock	-	-	1,087,392	-	**1,087,392**
Venture capital and partnerships	-	-	-	16,224	**16,224**
Mortgage pool investments	-	77	-	-	**77**
Repurchase agreements	-	2,670	-	-	**2,670**
Real estate	-	-	5,396	260	**5,656**
Other	-	-	12,189	-	**12,189**
Total investments	-	288,419	10,165,087	5,431,837	**15,885,343**
Property, plant and equipment less accumulated depreciation	-	-	-	89	**89**
Total assets	**$ 544,882**	**$ 310,503**	**$ 12,031,413**	**$ 7,180,492**	**$ 20,067,290**
Liabilities and fund balances:					
Liabilities:					
Accounts payable	$ -	$ -	$ 6,285	$ 3,142	**$ 9,427**
Salaries and benefits payable	-	-	312	141	**453**
Due to other funds	-	-	6,837	-	**6,837**
Due to component unit	-	-	7,479	5,825	**13,304**
Investment purchases payable	-	-	651,722	-	**651,722**
Compensated absences	-	-	237	267	**504**
Securities purchased payable	-	10,489	-	242,883	**253,372**
Other liabilities	-	338	-	-	**338**
Securities lending collateral	-	-	759,750	780,207	**1,539,957**
Total liabilities	-	10,827	1,432,622	1,032,465	**2,475,914**
Net assets:					
Held in trust for:					
Employees' post-employment benefits	544,882	299,676	10,598,791	6,148,027	**17,591,376**
Total net assets	**$ 544,882**	**$ 299,676**	**$ 10,598,791**	**$ 6,148,027**	**$ 17,591,376**

State of Indiana
Combining Statement of Changes in Fiduciary Net Assets
Pension Trust Funds
For the Year Ended June 30, 2003

(amounts expressed in thousands)

	Primary Government		Discrete Component Units		
	Deferred Compensation Plan	State Police Pension Fund	Public Employees' Retirement System	State Teachers' Retirement Fund	Total
Additions:					
Member contributions	$ 56,943	$ 2,758	$ 162,866	$ 109,500	**$ 332,067**
Employer contributions	-	10,570	324,150	605,066	**939,786**
Contributions from the State of Indiana	-	-	67,362	-	**67,362**
Net investment income (loss)	19,267	12,525	488,614	361,810	**882,216**
Less investment expense	(1,210)	(753)	(22,995)	(17,033)	**(41,991)**
Transfers from other retirement funds	-	-	1,774	3,847	**5,621**
Other	-	-	498	1,354	**1,852**
Total additions	75,000	25,100	1,022,269	1,064,544	**2,186,913**
Deductions:					
Pension benefits	-	19,036	365,728	615,973	**1,000,737**
Disability and other benefits	-	-	500	7,397	**7,897**
Refunds of contributions and interest	30,570	-	32,506	-	**63,076**
Administrative	-	122	11,263	3,363	**14,748**
Pension relief distributions	-	-	96,417	-	**96,417**
Capital projects	-	-	-	3,297	**3,297**
Depreciation	-	-	-	17	**17**
Transfers to other retirement funds	-	-	3,847	1,774	**5,621**
Other	-	-	4,864	(51)	**4,813**
Total deductions	30,570	19,158	515,125	631,770	**1,196,623**
Net increase (decrease) in net assets	44,430	5,942	507,144	432,774	**990,290**
Net assets held in trust for pension benefits, July 1, as restated	500,452	293,734	10,091,647	5,715,253	**16,601,086**
Net assets held in trust for pension benefits, June 30	**$ 544,882**	**$ 299,676**	**$ 10,598,791**	**$ 6,148,027**	**$ 17,591,376**

State of Indiana
Combining Statement of Net Assets
Private-Purpose Trust Funds
June 30, 2003

(amounts expressed in thousands)

	Property Custody Fund	Abandoned Property Fund	Unclaimed Funds Fund	Private-Purpose Trust Fund	Total
Assets:					
Cash, cash equivalents and investments	$ 3,139	$ 6,117	$ 903	$ 22,831	**$ 32,990**
Securities lending collateral	-	-	-	7,225	**7,225**
Receivables:					
Securities lending	-	-	-	7	**7**
Interest	6	1	-	9	**16**
Total assets	**3,145**	**6,118**	**903**	**30,072**	**40,238**
Liabilities:					
Accounts payable	-	2,086	-	130	**2,216**
Securities lending payable	-	-	-	7	**7**
Securities lending collateral	-	-	-	7,225	**7,225**
Total liabilities	**-**	**2,086**	**-**	**7,362**	**9,448**
Net assets:					
Held in trust for trust beneficiaries	3,145	4,032	903	22,710	**30,790**
Total net assets	**$ 3,145**	**$ 4,032**	**$ 903**	**$ 22,710**	**$ 30,790**

State of Indiana
Combining Statement of Changes in Net Assets
Private-Purpose Trust Funds
For the Year Ended June 30, 2003

(amounts expressed in thousands)

	Property Custody Fund	Abandoned Property Fund	Unclaimed Funds Fund	Private-Purpose Trust Fund	Total
Additions:					
Investment Income	$ 21	$ 12	$ -	$ 374	**$ 407**
Member contributions	-	-	-	50,260	**50,260**
Donations/escheats	-	71,271	217	5,038	**76,526**
Total additions	21	71,283	217	55,672	**127,193**
Deductions:					
Administrative	-	739	-	147	**886**
Payments to participants/beneficiaries	35	63,254	926	56,673	**120,888**
Total deductions	35	63,993	926	56,820	**121,774**
Net increase (decrease) in net assets	(14)	7,290	(709)	(1,148)	**5,419**
Net assets held in trust, July 1, as restated	3,159	(3,258)	1,612	23,858	**25,371**
Net assets held in trust, June 30	**$ 3,145**	**$ 4,032**	**$ 903**	**$ 22,710**	**$ 30,790**

State of Indiana
Combining Statement of Net Assets
Agency Funds
June 30, 2003
(amounts expressed in thousands)

	Employee Payroll, Witholding and Benefits	Local Distributions	Child Support	Department of Insurance	Other Agency Funds	Total
Assets:						
Cash, cash equivalents and investments	$ 54,868	$ 103,287	$ 32,665	$ 330,917	$ 14,299	**$ 536,036**
Receivables:						
Interest	-	136	-	-	-	**136**
Taxes	-	-	-	-	6,047	**6,047**
Securities lending	-	172	-	-	-	**172**
Other	-	-	-	-	50	**50**
Securities lending collateral	-	141,019	-	-	-	**141,019**
Other assets	78,427	307,805	17,229	-	6,815	**410,276**
Total assets	**$ 133,295**	**$ 552,419**	**$ 49,894**	**$ 330,917**	**$ 27,211**	**$ 1,093,736**
Liabilities:						
Accounts/escrows payable	$ 83,712	$ 411,092	$ 49,894	$ 330,917	$ 21,164	**$ 896,779**
Securities lending payable	-	172	-	-	-	**172**
Securities lending collateral	-	141,019	-	-	-	**141,019**
Other liabilities	49,583	136	-	-	6,047	**55,766**
Total liabilities	**$ 133,295**	**$ 552,419**	**$ 49,894**	**$ 330,917**	**$ 27,211**	**$ 1,093,736**

State of Indiana
Combining Statement of Changes In Assets and Liabilities
Agency Funds
For the Year Ended June 30, 2003

(amounts expressed in thousands)

	Balance, July 1, as restated	Additions	Deductions	Balance, June 30
Employee Payroll, Witholding and Benefits				
Assets:				
Cash, cash equivalents, and investments	$ 41,611	$ 13,257	$ -	**$ 54,868**
Other assets	76,536	78,427	76,536	**78,427**
Total assets	$ 118,147	$ 91,684	$ 76,536	**$ 133,295**
Liabilities:				
Accounts / escrows payable	$ 75,146	$ 42,100	$ 33,534	**$ 83,712**
Other liabilities	43,001	49,584	43,002	**49,583**
Total liabilities	$ 118,147	$ 91,684	$ 76,536	**$ 133,295**
Local Distributions				
Assets:				
Cash, cash equivalents, and investments	$ 238,149	$ -	$ 134,862	**$ 103,287**
Receivables	420	136	420	**136**
Securities lending collateral	200,964	-	59,773	**141,191**
Other assets	45,542	307,805	45,542	**307,805**
Total assets	$ 485,075	$ 307,941	$ 240,597	**$ 552,419**
Liabilities:				
Accounts / escrows payable	$ 284,111	$ 307,805	$ 180,824	**$ 411,092**
Securities lending collateral	200,964	-	59,773	**141,191**
Other liabilities	-	136	-	**136**
Total liabilities	$ 485,075	$ 307,941	$ 240,597	**$ 552,419**
Child Support				
Assets:				
Cash, cash equivalents, and investments	$ 35,776	$ -	$ 3,111	**$ 32,665**
Other assets	13,618	17,229	13,618	**17,229**
Total assets	$ 49,394	$ 17,229	$ 16,729	**$ 49,894**
Liabilities:				
Accounts / escrows payable	$ 49,394	$ 17,229	$ 16,729	**$ 49,894**
Total liabilities	$ 49,394	$ 17,229	$ 16,729	**$ 49,894**

continued on next page

State of Indiana
Combining Statement of Changes In Assets and Liabilities
Agency Funds
For the Year Ended June 30, 2003

(amounts expressed in thousands)

	Balance, July 1, as restated	Additions	Deductions	Balance, June 30
Department of Insurance				
Assets:				
Cash, cash equivalents, and investments	$ 335,579	$ 8,539	$ 13,201	**$ 330,917**
Total assets	$ 335,579	$ 8,539	$ 13,201	**$ 330,917**
Liabilities:				
Accounts / escrows payable	$ 335,579	$ 8,539	$ 13,201	**$ 330,917**
Total liabilities	$ 335,579	$ 8,539	$ 13,201	**$ 330,917**
Other Agency Funds				
Assets:				
Cash, cash equivalents, and investments	$ 13,904	$ 29,152	$ 28,757	**$ 14,299**
Receivables	5,111	6,097	5,111	**6,097**
Other assets	1,075	6,815	1,075	**6,815**
Total assets	$ 20,090	$ 42,064	$ 34,943	**$ 27,211**
Liabilities:				
Accounts / escrows payable	$ 20,090	$ 36,017	$ 34,943	**$ 21,164**
Other liabilities	-	6,047	-	**6,047**
Total liabilities	$ 20,090	$ 42,064	$ 34,943	**$ 27,211**
Total Agency Funds				
Assets:				
Cash, cash equivalents, and investments	**$ 665,019**	**$ 50,948**	**$ 179,931**	**$ 536,036**
Receivables	**5,531**	**6,233**	**5,531**	**6,233**
Securities lending collateral	**200,964**	**-**	**59,773**	**141,191**
Other assets	**136,771**	**410,276**	**136,771**	**410,276**
Total assets	**$ 1,008,285**	**$ 467,457**	**$ 382,006**	**$ 1,093,736**
Liabilities:				
Accounts / escrows payable	**$ 764,320**	**$ 411,690**	**$ 279,231**	**$ 896,779**
Securities lending collateral	**200,964**	**-**	**59,773**	**141,191**
Other liabilities	**43,001**	**55,767**	**43,002**	**55,766**
Total liabilities	**$ 1,008,285**	**$ 467,457**	**$ 382,006**	**$ 1,093,736**

NON-MAJOR DISCRETELY PRESENTED COMPONENT UNITS

PROPRIETARY FUNDS

Proprietary component units represent funds that are legally separate from the State of Indiana, but provide valuable and beneficial services to the State and its citizens. The non-major discretely presented component units consist of the following proprietary funds:

Secondary Market for Education Loans, Inc. - The purpose of this non-profit corporation is to purchase education loans in the secondary market.

Board for Depositories - The Board for Depositories is responsible for providing insurance on public funds in excess of the $100,000 FDIC limit.

COLLEGES AND UNIVERSITIES

College and university funds are used to account for the operations of state-supported colleges and universities. The non-major discretely presented component units consist of the following institutions:

Vincennes University
Indiana State University
Ball State University
Ivy Tech State College
University of Southern Indiana

State of Indiana
Combining Statement of Net Assets
Non-Major Discretely Presented Component Units - Governmental and Proprietary Funds
June 30, 2003
(amounts expressed in thousands)

	Secondary Market for Education Loans	Board for Depositories	Totals
Assets			
Current assets:			
Cash, cash equivalents and investments	$ 59,159	$ 198,015	**$ 257,174**
Securities lending collateral	-	302,911	**302,911**
Receivables (net)	6,976	950	**7,926**
Other current assets	832	-	**832**
Total current assets	66,967	501,876	**568,843**
Noncurrent assets:			
Other receivables	241,086	-	**241,086**
Investments - unrestricted	-	108,172	**108,172**
Other noncurrent assets	1,055	-	**1,055**
Capital assets:			
Property, plant, and equipment	234	460	**694**
Less accumulated depreciation	(18)	(397)	**(415)**
Total capital assets, net of depreciation	216	63	**279**
Total noncurrent assets	242,357	108,235	**350,592**
Total assets	**309,324**	**610,111**	**919,435**
Liabilities			
Current liabilities:			
Accounts payable	473	324	**797**
Interest payable	364	-	**364**
Current portion of long-term debt	78,630	-	**78,630**
Securities lending collateral	-	302,911	**302,911**
Other current liabilities	-	4	**4**
Total current liabilities	79,467	303,239	**382,706**
Long-term liabilities:			
Revenue bonds/notes payable	171,000	-	**171,000**
Other noncurrent liabilities	375	-	**375**
Total long-term liabilities	171,375	-	**171,375**
Total liabilities	**250,842**	**303,239**	**554,081**
Net assets			
Invested in capital assets net of related debt	-	63	**63**
Restricted-expendable			
Future debt service	6,234	-	**6,234**
Pension fund distribution	-	6,888	**6,888**
Other purposes	40	-	**40**
Restricted-expendable - other purposes	6,274	6,888	**13,162**
Unrestricted (deficit)	52,208	299,921	**352,129**
Total net assets	**$ 58,482**	**$ 306,872**	**$ 365,354**

State of Indiana
Combining Statement of Activities
Non-Major Discretely Presented Component Units - Governmental and Proprietary Funds
For the Fiscal Year Ended June 30, 2003
(amounts expressed in thousands)

		Program Revenues	Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Operating Grants and Contributions	Secondary Market for Education Loans	Board for Depositories	Total
Secondary Market for Educational Loans	$ 9,400	$ 19,714	10,314	-	10,314
Board for Depositories	16,462	11,477	-	(4,985)	(4,985)
Total component units	$ 25,862	$ 31,191	10,314	(4,985)	5,329
	Change in net assets		10,314	(4,985)	5,329
	Net assets - beginning		48,168	311,857	360,025
	Net assets - ending		$ 58,482	$ 306,872	$ 365,354

State of Indiana
Combining Statement of Net Assets
Non-Major Discretely Presented Component Units - Colleges and Universities
June 30, 2003
(amounts expressed in thousands)

	Ball State University	Indiana State University	Ivy Tech State College	University of Southern Indiana	Vincennes University	Totals
Assets						
Current assets:						
Cash, cash equivalents and investments	$ 107,688	$ 39,491	$ 42,664	$ 29,278	$ 29,561	**$ 248,682**
Receivables (net)	15,088	9,379	21,601	3,209	5,206	**54,483**
Inventory	929	188	3,979	1,586	1,612	**8,294**
Prepaid expenses	824	373	7,349	-	141	**8,687**
Due from primary government	10,376	6,498	8,856	2,652	2,664	**31,046**
Funds held in trust by others	6,627	-	28,053	349	-	**35,029**
Other current assets	-	-	-	717	407	**1,124**
Total current assets	141,532	55,929	112,502	37,791	39,591	**387,345**
Noncurrent assets:						
Cash, cash equivalents and investments - restricted	-	-	-	-	512	**512**
Other receivables	8,321	5,836	-	-	723	**14,880**
Investments - unrestricted	53,113	43,719	2,700	11,445	38,073	**149,050**
Other noncurrent assets	2,313	4,706	23,171	173	-	**30,363**
Capital assets:						
Land	36,469	34,630	11,113	9,284	6,747	**98,243**
Infrastructure	14,232	33,037	7,193	3,649	-	**58,111**
Construction in progress	-	3,062	14,832	23,071	5,041	**46,006**
Property, plant, and equipment	526,036	334,769	285,615	146,947	147,775	**1,441,142**
Less accumulated depreciation	(187,769)	(187,538)	(120,213)	(61,442)	(63,586)	**(620,548)**
Total capital assets, net of depreciation	388,968	217,960	198,540	121,509	95,977	**1,022,954**
Total noncurrent assets	452,715	272,221	224,411	133,127	135,285	**1,217,759**
Total assets	**594,247**	**328,150**	**336,913**	**170,918**	**174,876**	**1,605,104**
Liabilities						
Current liabilities:						
Accounts payable	14,598	2,692	3,405	1,603	1,877	**24,175**
Current portion of long-term debt	4,529	7,615	5,977	4,933	2,225	**25,279**
Salaries, health, disability, and benefits payable	-	4,833	-	4,326	3,391	**12,550**
Deferred revenue	10,473	4,055	10,979	-	2,554	**28,061**
Accrued liability for compensated absences	-	2,213	3,860	-	1,683	**7,756**
Deposits held in custody for others	5,036	659	2,451	-	378	**8,524**
Other current liabilities	-	3,582	-	1,800	254	**5,636**
Total current liabilities	34,636	25,649	26,672	12,662	12,362	**111,981**
Long-term liabilities:						
Accrued liability for compensated absences	6,290	777	1,705	1,475	-	**10,247**
Advances from federal government	4,656	-	-	-	-	**4,656**
Revenue bonds/notes payable	72,817	67,720	116,773	89,394	36,988	**383,692**
Other noncurrent liabilities	-	1,000	-	431	-	**1,431**
Total long-term liabilities	83,763	69,497	118,478	91,300	36,988	**400,026**
Total liabilities	**118,399**	**95,146**	**145,150**	**103,962**	**49,350**	**512,007**
Net assets						
Invested in capital assets net of related debt	322,289	142,868	71,022	25,504	57,023	**618,706**
Restricted-nonexpendable						
Student aid	1,188	818	-	-	2,123	**4,129**
Total restricted-nonexpendable	1,188	818	-	-	2,123	**4,129**
Restricted-expendable						
Instruction and research	-	1,257	-	9	-	**1,266**
Student aid	10,079	9,373	-	497	1,109	**21,058**
Capital projects	4,795	6,260	64,681	549	2,983	**79,268**
Other purposes	5,747	932	4,769	3,533	1,777	**16,758**
Total restricted-expendable	20,621	17,822	69,450	4,588	5,869	**118,350**
Unrestricted (deficit)	131,750	71,496	51,291	36,864	60,511	**351,912**
Total net assets	**$ 475,848**	**$ 233,004**	**$ 191,763**	**$ 66,956**	**$ 125,526**	**$ 1,093,097**

State of Indiana
Combining Statement of Activities
Non-Major Discretely Presented Component Units - Colleges and Universities
For the Fiscal Year Ended June 30, 2003
(amounts expressed in thousands)

		Program Revenues			Net (Expense) Revenue and Changes in Net Assets					
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Ball State University	Indiana State University	Ivy Tech State College	University of Southern Indiana	Vincennes University	Total
Ball State University	$ 303,262	$ 131,837	$ 60,369	$ -	(111,056)	-	-	-	-	(111,056)
Indiana State University	176,293	59,532	27,551	4,615	-	(84,595)	-	-	-	(84,595)
Ivy Tech State College	276,076	84,666	93,357	2,875	-	-	(95,178)	-	-	(95,178)
University of Southern Indiana	85,199	42,584	11,381	456	-	-	-	(30,778)	-	(30,778)
Vincennes University	95,738	36,609	28,919	1,254	-	-	-	-	(28,956)	(28,956)
Total component units	$ 936,568	$ 355,228	$ 221,577	$ 9,200	(111,056)	(84,595)	(95,178)	(30,778)	(28,956)	(350,563)
General revenues:										
Investment earnings					5,141	4,396	972	1,249	3,664	15,422
Payments from State of Indiana					128,705	85,014	113,876	35,622	34,625	397,842
Other					132	1,082	650	1,367	147	3,378
Total general revenues					133,978	90,492	115,498	38,238	38,436	416,642
Change in net assets					22,922	5,897	20,320	7,460	9,480	66,079
Net assets - beginning, as restated					452,926	227,107	171,443	59,496	116,046	1,027,018
Net assets - ending					$ 475,848	$ 233,004	$ 191,763	$ 66,956	$ 125,526	$ 1,093,097


SEAL OF THE STATE OF INDIANA
1816

Statistical Section



Hidden indoor well in basement

The Levi Coffin House

Fountain City, Indiana

Now listed with the registry of National Historic Landmarks, the Levi Coffin House was a critical stop on Indiana's Underground Railroad — a network of antislavery supporters who helped escaped slaves to secretly reach freedom. Built in 1839 in Fountain City (then called Newport), the Coffin home was owned by Levi and Catherine Coffin and was outfitted with many special features which helped their cause. A rare indoor well in the basement of the home held a secret supply of water for their additional guests. One of the home's bedrooms contained a concealed doorway to another room where runaway slaves could safely hide. The Coffins were so successful in their endeavors that not a single slave they aided in Indiana — more than 2,000 in all — failed to achieve freedom.



Wagon used to conceal runaway slaves



Levi Coffin House

Photographs used with the permission of the Levi Coffin House Association
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SEAL OF THE STATE OF INDIANA
1816

STATISTICAL AND ECONOMIC DATA

The Statistical Data are presented to give report users a better historical perspective and assist in assessing current financial status and trends of the governmental unit. Economic Data are presented to allow a broader understanding of the economic and social environment in which State government operates.

State of Indiana
State Facts

AREA	36,185 square miles, including 253 square miles of water. Length, 275 miles breadth, 144 miles. Highest altitude, 1,257 feet in Wayne County; lowest altitude, 320 feet in Posey County.
CLIMATE	Four distinct seasons. Average temperatures in July range from 63 to 86 degrees Fahrenheit; January ranges from 17 to 35 degrees Fahrenheit. Record high: 116 degrees at Collegeville in 1936. Record low: 35 below zero at Greensburg in 1951. Average annual precipitation is 40 inches.
STATE CAPITAL	Indianapolis (combination of Indiana and Greek word "polis" meaning city -- thus, Indianapolis means "city of indiana").
STATE MOTTO	The Crossroads of America. Adopted 1937.
STATE FLOWER	Peony. Adopted 1957.
STATE TREE	Tulip tree (yellow poplar). Adopted 1931
STATE BIRD	Cardinal. Adopted 1933.
STATE SONG	"On the Banks of the Wabash," by Paul Dresser. Adopted 1913
STATE POEM	"Indiana", by Arthur Franklin Mapes, Kendallville. Adopted 1963.
STATE STONE	Indiana limestone. Adopted 1971.
STATE SEAL	The seal depicts a pioneer scene--a woodsman felling a tree, a buffalo fleeing from the sound of the axe and the sun gleaming over a distant hill. In use since 1801, the seal was officially adopted in 1963.
STATE FLAG	The Indiana flag displays 19 gold stars surrounding a gold torch centered on a rectangular field of blue. The torch stands for liberty and enlightenment. Thirteen stars in the outer circle represent the 13 original states; the five in the inner circle represent the five states next admitted to the Union. The star above the torch stands for Indiana, the 19th state. Adopted 1917.
STATE NAME	The name Indiana means "land of the Indian". It was coined in 1800 when Congress carved the new state of Ohio from the Northwest Territory and designated the remaining vast area as the Indiana Territory. The territorial name was retained when Indiana became a state in 1816.
NICKNAME	The nickname for someone of Indiana birth or long residency is "Hoosier", a word whose origin has never been determined. Some have said it stemmed from the pioneer custom of greeting night callers with, "Who's yere?" Others claimed it came from "hoosier men", referring to laborers for an early- day Indiana contractor named Sam Hoosier. Still others traced the word to the term "husher", meaning a river boat worker strong enough to "hush" any challenger, or to "hoozer", a dialect word meaning hill-dweller.

Source: Here Is Your Indiana Government, 1993-94, Indiana Chamber of Commerce.

State of Indiana
General Governmental Revenues by Source and Expenditures by Function (1)
Last Ten Fiscal Years

(amounts expressed in thousands)

Revenues by Source

Fiscal Year	Taxes	Current service charges / investment income	Sales	Grants	Other	Total revenues
2002-03	$ 11,006,913	$ 1,267,153	$ 27,710	$ 6,262,457	$ 502,455	$ 19,066,688
2001-02	9,961,321	1,381,305	89,226	5,819,146	281,317	17,532,315
2000-01	11,162,589	1,538,146	69,777	5,317,272	282,395	18,370,179
1999-00	11,102,314	1,605,320	66,669	4,749,817	231,782	17,755,902
1998-99	10,823,624	1,350,239	65,163	4,122,482	192,419	16,553,927
1997-98	10,051,910	1,421,989	58,277	3,666,778	193,590	15,392,544
1996-97	9,308,614	1,125,981	68,170	3,591,504	197,747	14,292,016
1995-96	8,803,290	1,105,253	57,062	3,664,781	204,983	13,835,369
1994-95	8,328,190	1,079,987	53,294	2,915,396	243,368	12,620,235
1993-94	7,740,958	685,104	38,810	4,054,456	275,989	12,795,317

Expenditures by Function

Fiscal Year	General government	Public safety	Health	Welfare	Conservation, culture, & development
2002-03	$ 3,114,707	$ 1,157,085	$ 319,975	$ 6,526,705	$ 479,472
2001-02	3,086,833	1,116,980	329,342	6,380,002	484,044
2000-01	4,052,323	1,097,476	308,531	5,615,461	509,058
1999-00	3,676,093	989,994	298,042	5,147,995	483,756
1998-99	3,270,076	906,776	313,092	4,746,168	459,954
1997-98	3,477,265	861,180	268,183	4,139,598	441,797
1996-97	2,703,706	757,230	267,230	4,127,813	368,275
1995-96	2,317,527	678,774	240,987	4,126,812	329,770
1994-95	2,733,011	658,124	213,626	3,588,792	313,069
1993-94	1,937,709	580,302	199,291	4,173,856	285,872

Fiscal Year	Education	Transportation	Other	Capital outlay	Debt service	Total expenditures
2002-03	$ 6,244,579	$ 1,381,264	$ 2,749	$ 25,137	$ -	$ 19,251,673
2001-02	5,718,303	1,170,833	2,419	89,016	72,902	18,450,674
2000-01	6,076,896	1,411,707	4,031	129,934	63,709	19,269,126
1999-00	5,733,862	1,253,852	1,416	178,099	55,328	17,818,437
1998-99	5,375,531	1,216,306	950	113,989	55,701	16,458,543
1997-98	4,633,419	1,076,929	867	89,125	45,025	15,033,388
1996-97	4,844,645	1,035,795	8,965	131,798	42,585	14,288,042
1995-96	4,471,208	962,729	29,093	79,859	41,709	13,278,468
1994-95	3,807,840	899,994	24,565	58,583	38,780	12,336,384
1993-94	3,833,038	865,294	18,033	82,017	30,214	12,005,626

(1) Includes governmental fund types of both the primary government and discretely presented component units.

State of Indiana
Reconciliation of General Fund Unappropriated Surplus to General Fund Unreserved, Undesignated Fund Balance

(amounts expressed in millions)

State of Indiana
General Fund and Property Tax Replacement Fund
Combined Statement of Unappropriated Reserve

	Actual FY 2003	
Resources:		
Working Balance, July 1	$ -	
Current Year Resources:		
Forecast Revenue	7,211.3	
Outside Acts		
DSH	65.0	
Transfer from Dedicated Fund Balances	222.0	
Jobs and Growth Tax Relief Reconciliation Act of 2003	103.4	
Total Resources	7,601.7	
Uses:		
Appropriations:		
Budgeted Appropriations	7,832.7	
Adjustments to Appropriations	26.6	
Tuition Support Deficiency Appropriations	19.4	
Higher Education HEA 1196-2002	(29.0)	
K-12 Education HEA 1196-2002	(67.8)	
Other Expenditures and Transfers:		
Property Tax Replacement Fund transfer	(157.8)	
Transfer to Lottery and Gaming Surplus Account	131.8	
Transfer to Tuition Reserve	40.0	
Judgements and Settlements	6.2	
Payment Delays		
Higher Education Allotment	(2.2)	
Tuition Support Distribution	(11.4)	
Reversions:	(323.4)	
Total Uses	7,465.1	
General Fund Reserve Balance, June 30	**136.6**	
Reserve Balances:		
Tuition Support Reserve	305.0	
Economic Stabilization and Counter-cyclical Revenue "Rainy Day" Fund	248.1	
Total Combined Balances / Unappropriated 'Surplus' Balance	**689.7**	
Adjustments:		
Tuition Support Reserve	(305.0)	**(1)**
Economic Stabilization and Counter-cyclical Revenue "Rainy Day" Fund	(248.1)	**(2)**
General Fund Unreserved, Undesignated Fund Balance (budgetary / cash basis)	136.6	
Accrual Adjustments	36.4	
General Fund Unreserved, Undesignated Fund Balance (GAAP basis)	**$ 173.0**	

(1) Tuition Support is a part of the General Fund's reserved fund balance.
(2) The Rainy Day Fund is part of the General Fund's unreserved fund balance designated for allotments.

Source: General Fund, Property Tax Replacement Fund, and Rainy Day Fund Summaries Fiscal Year Ending June 30, 2003 prepared by the State Budget Agency

STATE OF INDIANA
DISTRIBUTION OF MOTOR VEHICLE HIGHWAY FUND
JULY 1, 2002 TO JUNE 30, 2003

Gross Receipts:		
Motor Fuel Tax	314,552,502.96	
Special Fuel	145,374,399.09	
Motor Carrier Surtax & Highway User Fee	40,137,262.73	
Trip Permit Fee	51,450.00	
Motor Carrier Fund	64,464.13	
Vehicle License, Title & Driver's License Fees	127,329,375.31	
International Registration Plan Revenue	80,140,430.28	
Reinstatement Fees & Driver Court Fees	1,490,937.89	
Defensive Driver School	322,548.00	
MVH Fund's Share of Abandoned Vehicle Fund	457,363.26	
MVH Fund's Share of Odometer Fund	106,547.00	
Bureau of Motor Vehicles Misc Receipts	46,922.65	
MVH Fund's Share of State Court Cost	3,613,594.52	
State Police Misc Receipts & MCSAP - Federal	31,442.80	
State Police Federal Receipts	1,182,777.00	
Traffic Safety - Federal	13,074,771.98	
Traffic Safety Miscellaneous Receipts	383,558.29	
Miscellaneous Receipts	12,237.79	
Total Gross Receipts	**728,372,585.68**	
Less: Gas Tax Refunds	1,398,605.32	
Special Fuel Refunds	43,071,709.31	
Net Receipts		**683,902,271.05**
Fund Expenses:		
State Police:		
Administrative	104,508,405.20	
Pension	7,981,264.70	
Supplemental Pension	2,979,713.98	
Benefits	2,814,721.56	
Gross State Police Expense	**118,284,105.44**	
Less: General Fund Reimbursement	56,996,751.98	
Motor Carrier Fund Reimbursement	4,290,601.70	
Toll Road Reimbursement	1,682,293.90	
Net State Police Expense	**55,314,457.86**	
Other Fund Expenses		
Bureau of Motor Vehicles	48,339,610.69	
Dept. of Revenue - Motor Fuel Tax Division	6,679,906.36	
Traffic Safety	15,233,133.93	
Traffic Safety Education	260,696.12	
Highway Safety Plan	129,336.42	
Audit Expense	522,250.00	
Total Other Fund Expenses	**71,164,933.52**	
Total Net Fund Expenses		**126,479,391.38**
Amount Available for Distribution (net receipts less total net fund expenses)		**557,422,879.67**
Adjustments to Amount Available for Distribution:		
County Engineer Distribution Per IC 8-17-5-8 & 11.1	(811,666.66)	
LTAP Budget Per IC 8-14-1-3(6), IC 8-17-7-4, IC 8-23-2-5(7)	(630,000.00)	
Local Assistance Expenses Per IC 8-14-1-3(6), IC 8-23-2-5(6)	0.00	
Covered Bridge Distribution Per IC 8-14-1-10	(101,250.00)	
Access Road Construction Per IC 8-23-5-7	(4,367,312.00)	
Counties Share of 3 Cent Gas Tax Increase IC 6-6-1.1-801.5(c)	9,105,911.07	
Cities & Towns Share of 3 Cent Gas Tax Increase IC 6-6-1.1-801.5(c)	4,268,416.71	
Total Adjustments		**7,464,099.12**
Net Distributions:		
Indiana Department of Transporation	295,380,463.66	
Counties	183,238,993.85	
Cities and Towns	86,267,521.28	
Net Amount Distributed	**$564,886,978.79**	**$564,886,978.79**

State of Indiana
Revenue Bond Coverage

(amounts expressed in thousands)

Toll Road

Year	Revenue Available for Debt: Gross Revenue (Note 1)	Direct Operating Expenses (Note 2)	Net Revenue	Debt Service Requirements: Principal	Interest	Total Debt Requirements	Percent Coverage
2002-03	$ 91,632	$ 70,046	$ 21,586	$ 11,770	$ 13,534	$ 25,304	85.31%
2001-02	94,111	64,913	29,198	9,215	14,548	23,763	122.87%
2000-01	98,760	34,357	64,403	10,740	14,733	25,473	252.83%
1999-00	101,977	40,768	61,209	10,215	16,244	26,459	231.34%
1998-99	95,845	44,677	51,168	11,355	17,784	29,139	175.60%
1997-98	93,294	39,527	53,767	5,300	14,788	20,088	267.66%
1996-97	88,156	29,249	58,907	128,265	24,992	153,257	38.44%
1995-96	81,033	32,576	48,457	6,255	18,002	24,257	199.77%
1994-95	81,490	31,712	49,778	3,850	18,299	22,149	224.74%
1993-94	75,057	37,666	37,391	3,240	14,976	18,216	205.26%

Note 1 - Total operating revenue and nonoperating interest income.
Note 2 - Total operating expenses exclusive of depreciation.

State of Indiana
Indiana and United States Population
Ten Year Schedule

(expressed in thousands)

Year	Population		Percent of Change	
	Indiana	U.S.	Indiana	U.S.
2002	6,159	288,369	0.72%	1.25%
2001	6,115	284,797	0.58%	1.20%
2000	6,080	281,422	2.31%	3.20%
1999	5,943	272,691	0.75%	0.88%
1998	5,899	270,299	0.60%	1.00%
1997	5,864	267,636	0.62%	0.93%
1996	5,828	265,179	0.43%	0.92%
1995	5,803	262,755	0.89%	0.92%
1994	5,752	260,350	0.68%	0.95%
1993	5,713	257,908	0.90%	1.11%

Source: Statistical Abstract of the U.S., 1992 to 2002,
U.S. Department of Commerce, Bureau of Census

State of Indiana
Population by Age
Ten Year Schedule

(expressed in thousands)

Year	Total	Under 5	5-17	18-44	45-64	65+	18+
2002	6,159	429	1,166	2,443	1,364	757	4,564
2001	6,115	428	1,155	2,419	1,354	758	4,531
2000	6,080	423	1,151	2,405	1,347	754	4,506
1999	5,943	414	1,115	2,363	1,308	742	4,413
1998	5,899	411	1,107	2,372	1,271	740	4,383
1997	5,864	407	1,090	2,389	1,244	734	4,367
1996	5,828	-----	(NOT AVAILABLE)		-----	-----	-----
1995	5,803	408	1,079	2,397	1,186	734	4,317
1994	5,752	407	1,066	2,388	1,157	734	4,279
1993	5,713	406	1,063	2,388	1,127	727	4,242

Source: Statistical Abstract of the U.S., 1992 to 2002,
U.S. Department of Commerce, Bureau of Census

State of Indiana
Per Capita Income
Ten Year Schedule

Year	Indiana	U.S.
2001	$27,532	$30,271
2000	27,011	29,676
1999	26,092	28,518
1998	24,219	26,412
1997	23,604	25,598
1996	22,633	24,436
1995	21,273	22,788
1994	20,261	21,699
1993	19,203	20,817
1992	18,043	19,841

Source: Statistical Abstract of the U.S., 1993 to 2002,
U.S. Dept of Commerce, Bureau of Census

State of Indiana
Total Taxable Income
Ten Year Schedule

Year	Total Taxable Income	Per Capita Taxable Income	% Change Per Capita Taxable Income
2001	$105,772,366,267	$17,297	- 2.67%
2000	108,050,392,092	17,771	+ 1.54%
1999	104,018,659,742	17,503	+ 0.38%
1998	102,857,624,645	17,436	+ 10.00%
1997	92,954,012,132	15,852	+ 6.95%
1996	86,382,010,203	14,822	+ 6.27%
1995	80,939,894,265	13,948	+ 5.66%
1994	75,972,654,227	13,201	+ 4.28%
1993	72,320,739,972	12,659	+ 5.19%
1992	68,140,446,439	12,035	+ 6.01%

Source: Indiana Department of Revenue,
Statistical Abstract of the U.S. 1992 to 2002
U.S. Department of Commerce, Bureau of Census

State of Indiana
Indiana and United States Employment Statistics
Ten Year Schedule

(expressed in thousands)

Year	Labor Force		Employed		Unemployed		Unemployment Rate	
	Indiana	U.S.	Indiana	U.S.	Indiana	U.S.	Indiana	U.S.
2002	3,175	144,863	3,012	136,485	163	8,378	5.1%	5.8%
2001	3,106	141,815	2,971	135,073	135	6,742	4.4%	4.8%
2000	3,084	140,863	2,984	135,208	100	5,655	3.2%	4.0%
1999	3,078	139,368	2,985	133,488	93	5,880	3.0%	4.2%
1998	3,088	137,673	2,993	131,463	96	6,210	3.1%	4.5%
1997	3,094	136,297	2,985	129,558	109	6,739	3.5%	4.9%
1996	3,072	133,943	2,945	126,708	127	7,236	4.1%	5.4%
1995	3,134	132,304	2,988	124,900	146	7,404	4.7%	5.6%
1994	3,057	131,056	2,906	123,000	151	7,996	4.9%	6.1%
1993	2,937	128,040	2,780	119,306	157	8,734	5.3%	6.8%

Source: Indiana Employment Security Division, Labor Market Information and Statistics Service

State of Indiana
Twenty Largest Indiana Public Companies
(ranked by 2002 revenue)

Ranking	Company	2002 revenue in millions	City
1	Anthem, Inc.	$ 12,990.5	Indianapolis
2	Eli Lilly and Company	11,077.5	Indianapolis
3	NiSource, Inc.	6,492.3	Merrillville
4	Cummins, Inc.	5,853.0	Columbus
5	Conseco, Inc.	4,418.3	Carmel
6	Guidant Corporation	3,239.6	Indianapolis
7	National Steel Corp.	2,609.4	Mishawaka
8	Simon Property Group, Inc.	2,185.8	Indianapolis
9	Hillenbrand Industries, Inc.	2,147.0	Batesville
10	Vectren Corporation	1,804.3	Evansville
11	Marsh Supermarkets, Inc.	1,642.6	Indianapolis
12	Great Lakes Chemical Corporation	1,401.5	Indianapolis
13	Zimmer Holdings, Inc.	1,372.4	Warsaw
14	ATA Holdings Corp.	1,277.4	Indianapolis
15	Brightpoint, Inc.	1,276.1	Plainfield
16	Biomet Inc.	1,191.9	Warsaw
17	Kimball International, Inc.	1,172.5	Jasper
18	Steel Dynamics Inc.	864.5	Fort Wayne
19	Danielson Holding Corp.	837.5	Jeffersonville
20	Wabash National Corp.	819.6	Lafayette

SOURCE: Indianapolis Business Journal's 2004 Book of Lists

State of Indiana
Twenty Largest Indiana Private Companies
(ranked by 2002 revenue)

Ranking	Company	2002 revenue in millions	City
1	Do It Best Corporation	$ 2,440	Fort Wayne
2	American United Life Insurance Co.	2,267	Indianapolis
3	North American Van Lines Inc.	2,177	Fort Wayne
4	Jordan Automotive Group (1)	2,000	Mishawaka
5	Hunt Construction Group	1,820	Indianapolis
6	Federal Home Loan Bank of Indianapolis	1,270	Indianapolis
7	Delco Remy International Inc.	1,069	Anderson
8	OmniSource Corporation	785	Fort Wayne
9	Forest River Inc.	725	Elkhart
10	National Wine & Spirits Inc.	682	Indianapolis
11	The Bob Rohrman Auto Group	657	Lafayette
12	Farm Bureau Insurance Co.	642	Indianapolis
13	H. H. Gregg	630	Indianapolis
14	Cook Group (1)	615	Bloomington
15	LDI Ltd.	572	Indianapolis
16	Koch Enterprises Inc.	550	Evansville
17	Atlas World Group, Inc.	537	Evansville
18	Reilly Industries Inc. (1)	500	Indianapolis
19	Berry Plastics Corp.	494	Evansville
20	The Lafayette Life Insurance Co.	470	Lafayette

(1) IBJ Estimate

SOURCE: Indianapolis Business Journal's 2004 Book of Lists

State of Indiana
Twenty Largest Indiana Employers

(Ranked by Number of Full-Time Equivalent Employees in Indiana)

Ranking	Employer	FTE Employees in Indiana	Corporate or Parent Headquarters
1	State of Indiana (1)	38,908	Indianapolis, IN
2	U. S. Government (2)	36,279	Washington, D.C.
3	Wal-Mart Stores Inc.	35,770	Bentonville, AR
4	Eli Lilly and Company	16,870	Indianapolis, IN
5	Indiana University	16,086	Bloomington, IN
6	Purdue University	13,356	West Lafayette, IN
7	General Motors Corp.	12,630	Detroit, MI
8	Clarian Health Partners	11,396	Indianapolis, IN
9	Marsh Supermarkets Inc.	9,800	Indianapolis, IN
10	St. Vincent Health	9,737	Indianapolis, IN
11	Community Health Network	9,270	Indianapolis, IN
12	Delphi Corp.	8,145	Troy, MI
13	General Electric	6,600	Fairfield, CT
14	Ispat Inland Inc.	6,400	East Chicago, IN
15	Indianapolis Public Schools	6,000	Indianapolis, IN
16	SBC Indiana	5,850	Indianapolis, IN
17	Visteon Corp.	5,780	Indianapolis, IN
18	Cummins, Inc.	5,381	Columbus, IN
19	Kimball International Inc.	5,211	Jasper, IN
20	FedEx Corp.	5,000	Indianapolis, IN

(1) Full time state employees paid through the Auditor of State's Office as of December 10, 2003.
(2) Employment census taken every two years, current employment information is as of Dec. 31, 2002.

Some organizations may have been omitted due to lack of information or deadline restrictions.

SOURCE: Indianapolis Business Journal's 2004 Book of Lists

State of Indiana
Twenty Largest Indiana Colleges & Universities

(Ranked by Fall 2003 Full-Time Equivalent Enrollment)

Ranking	Institution	Fall 2003 FTE enrollment	Location
1	Indiana University	76,635	Bloomington
2	Purdue University	54,595	West Lafayette
3	Ivy Tech State College	40,554	Indianapolis
4	Ball State University	18,310	Muncie
5	University of Notre Dame	11,229	Notre Dame
6	Indiana State University	9,819	Terre Haute
7	Indiana Wesleyan University	9,517	Marion
8	University of Southern Indiana	7,994	Evansville
9	Vincennes University	5,668	Vincennes
10	Butler University	4,167	Indianapolis
11	Valparaiso University	3,671	Valparaiso
12	Indiana Business College	3,549	Indianapolis
13	Indiana Institute of Technology	2,800	Fort Wayne
14	Anderson University	2,600	Anderson
15	University of Indianapolis	2,407	Indianapolis
16	Taylor University	2,344	Upland
17	DePauw University	2,339	Greencastle
18	University of Evansville	2,285	Evansville
19	ITT Technical Institute	2,025	Indianapolis
20	Rose-Hulman Institute of Technology	1,951	Terre Haute

SOURCE: Indianapolis Business Journal's 2004 Book of Lists

State of Indiana
Commercial Bank Deposits
Ten Year Schedule

(amounts expressed in millions)

Year	# of Banks	Deposits
2002	151	$ 58,580
2001	154	67,507
2000	153	54,583
1999	158	45,342
1998	169	54,531
1997	185	50,893
1996	204	52,056
1995	211	53,618
1994	222	50,255
1993	N/A	N/A

N/A - information not available

Source: Call Report and Thrift Financial Report
FDIC - Division of Insurance and Research

State of Indiana
County Facts

County Name	2000 Total Population	Area Sq. Miles	2002 County Road Miles	2002 Municipal Street Miles	2002 County Bridges
Adams	33,625	345	698	86	149
Allen	331,849	671	1,453	997	333
Bartholomew	71,435	402	693	249	202
Benton	9,421	409	672	54	112
Blackford	14,048	167	326	61	56
Boone	46,107	427	815	112	181
Brown	14,957	319	397	8	88
Carroll	20,165	374	771	41	114
Cass	40,930	415	882	116	118
Clark	96,472	384	533	244	120
Clay	26,556	364	665	84	155
Clinton	33,866	407	784	86	155
Crawford	10,743	312	457	28	73
Daviess	29,820	430	798	105	124
Dearborn	46,109	306	503	79	91
Decatur	24,555	370	661	73	174
Dekalb	40,285	366	733	121	98
Delaware	118,769	396	851	398	190
Dubois	39,674	433	670	163	145
Elkhart	182,791	468	1,154	417	160
Fayette	25,588	215	380	65	85
Floyd	70,823	149	308	169	81
Fountain	17,954	397	667	75	142
Franklin	22,151	394	631	26	103
Fulton	20,511	368	792	55	59
Gibson	32,500	498	967	126	259
Grant	73,403	421	815	285	188
Greene	33,157	549	878	104	158
Hamilton	182,740	401	955	545	237
Hancock	55,391	305	680	128	142
Harrison	34,325	479	805	35	69
Hendricks	104,093	417	791	206	225
Henry	48,508	400	804	135	130
Howard	84,964	293	678	231	134
Huntington	38,075	369	690	110	113
Jackson	41,335	520	735	122	178
Jasper	30,043	562	941	67	128
Jay	21,806	386	753	84	159
Jefferson	31,705	366	545	74	100
Jennings	27,554	377	667	40	127
Johnson	115,209	315	599	330	138
Knox	39,256	516	888	167	216
Kosciusko	74,057	540	1,188	173	103
Lagrange	34,909	381	796	29	52
Lake	484,564	513	549	1,786	163
Laporte	110,106	607	1,045	358	114
Lawrence	45,922	459	670	133	131
Madison	133,358	453	918	492	196
Marion	860,454	392	1,676	1,640	534
Marshall	45,128	443	927	123	112
Martin	10,369	345	368	31	47
Miami	36,082	377	799	80	126
Monroe	120,563	386	688	241	132
Montgomery	37,629	507	845	94	173
Morgan	66,689	406	697	114	141
Newton	14,566	413	669	42	121
Noble	46,275	412	821	106	60
Ohio	5,623	87	137	10	22
Orange	19,306	405	601	64	106
Owen	21,786	390	635	22	112
Parke	17,241	445	742	46	179
Perry	18,899	384	492	61	102
Pike	12,837	335	550	30	112
Porter	146,798	425	785	453	123
Posey	27,061	412	708	66	154
Pulaski	13,755	433	879	33	76
Putnam	36,019	490	757	78	220
Randolph	27,401	457	869	77	220
Ripley	26,523	442	727	72	131
Rush	18,261	409	765	37	193
St Joseph	265,559	396	1,169	685	90
Scott	22,960	466	318	51	71
Shelby	43,445	193	864	68	185
Spencer	20,391	409	750	51	169
Starke	23,556	310	683	57	63
Steuben	33,214	309	633	79	48
Sullivan	21,751	457	875	89	177
Switzerland	9,065	221	364	11	40
Tippecanoe	148,955	500	865	324	172
Tipton	16,577	261	567	38	79
Union	7,349	168	270	15	43
Vanderburgh	171,922	241	536	534	148
Vermillion	16,788	263	397	81	75
Vigo	105,848	415	876	361	187
Wabash	34,960	398	733	115	153
Warren	8,419	368	557	24	97
Warrick	52,383	391	720	81	112
Washington	27,223	561	770	59	131
Wayne	71,097	405	725	242	232
Wells	27,600	368	714	79	128
White	25,267	497	926	76	158
Whitley	30,707	337	632	60	84
Totals	6,080,485	36,144	66,731	16,370	12,606

Source: Association of Indiana Counties 2002 County Fact Book, Indiana Department of Transporation,
United States Department of Commerce, Bureau of Census 2000 Decennial Census,

State of Indiana
Property Tax Schedules
For Year Ended December 31, 2002

In the State of Indiana property taxes are levied by local units of government and overseen by the Indiana Department of Local Government Finance. The State of Indiana levies two rates of taxation against all taxable property in the State and Indiana Law fixes those rates. There is an eleven ten thousandths per one hundred dollars assessed value rate for the Indiana State Fair Board and a twenty-two ten-thousandths rate for the Indiana State Forestry Fund.

Property taxes are collected by county treasurers and distributed by county auditors. County auditors are required by Indiana Law to file, with the Auditor of State, reports of property taxes charged, collected and distributed. It is from those reports the property tax information is provided on the following pages.

For property taxes payable in 2003 a statewide reassessment of property values is in progress. As of the publication of this 2003 Comprehensive Annual Financial Report the reassessment of property has not been completed for all counties and data is not available for all counties. On the following schedules, where applicable, it has been noted that the data is not available. In the 2004 Comprehensive Annual Financial Report complete schedules for 2003 property taxes payable will be included. Also, in the 2004 Comprehensive Annual Financial Report 2004 property taxes payable schedules will be included.

Property taxes paid by each property taxpayer in Indiana are reduced by a credit referred to as a property tax replacement credit. The credit is paid by the State to county treasurers and is funded by a portion of State sales tax, individual income tax and riverboat wagering taxes. County auditors distribute the credit to taxing units. The property tax replacement credit percentage is determined by a formula established by Indiana Law and is computed by the Indiana Department of Local Government Finance. There are two separate property tax replacement credits. One credit applies to real estate and individual personal property. The other property tax replacement credit applies to business personal property. The two credit percentages are different within each taxing district and there are different credit percentages for each taxing district. Both of the credit percentages are based on the type of taxes levied within each taxing district. Presently the average real estate and individual personal property credit is in the mid-twenty percent range and the business personal property credit is in the mid-teen percent range.

Residential property owners, who qualify, receive an additional credit on their property taxes. This credit is referred to as the homestead credit. There is a State homestead credit funded by a portion of the State sales tax, individual income tax and riverboat wagering taxes and in some counties there is a local homestead credit funded by a portion of their county option income tax. The State and local homestead credit is given on the residential taxes after the taxes have been reduced by the property tax replacement credit. The State homestead credit is paid by the State to county treasurers and, where applicable, the local homestead credit is paid by county auditors to county treasurers. County auditors distribute the homestead credit to taxing units. On the following schedules the State paid homestead credit and the locally funded homestead credit are shown in separate columns. The homestead credit percentages are determined by a formula established by Indiana Law and are computed by the Indiana Department of Local Government Finance. There are different homestead credit percentages for each taxing district, because the credit percentages are based on the type of taxes levied within each taxing district. Presently the State homestead credit percentages range between nine and fifteen percent and local homestead credit percentages range between three and eight percent.

State of Indiana

Property Tax Levies and Collections

Last Ten Years

(amounts expressed in thousands)

Fiscal Year	Total Tax Levy	Total Tax Collections	Ratio of Total Tax Collections to Total Tax Levy
2002-03	Data not available		
2001-02	$ 6,542,218	$ 6,308,153	96.42%
2000-01	6,290,345	5,996,746	95.33%
1999-00	5,855,125	5,797,660	99.02%
1998-99	5,652,612	5,557,729	98.32%
1997-98	5,346,491	5,248,552	98.17%
1996-97	5,173,179	5,068,703	97.98%
1995-96	4,853,763	4,726,112	97.37%
1994-95	4,513,298	4,512,509	99.98%
1993-94	4,321,855	4,287,955	99.22%

State of Indiana

Assessed Value of Property

Last Ten Years

(amounts expressed in thousands)

Fiscal Year	Real Property Assessed Value	Exemptions	Personal Property Assessed Value	Exemptions	Total Net Value
2002-03	Data Not Available				
2001-02	$ 162,798,100	$ 28,796,702	$ 55,610,279	$ 5,980,052	$ 183,631,624
2000-01	52,680,019	8,954,555	18,056,453	1,814,730	59,967,186
1999-00	50,527,572	8,794,125	17,699,709	1,842,866	57,590,291
1998-99	48,534,574	8,048,264	17,116,873	1,481,610	56,121,573
1997-98	46,886,602	7,788,731	16,321,365	1,418,899	54,000,338
1996-97	45,423,654	7,490,607	15,542,606	1,382,577	52,093,076
1995-96	44,399,795	7,504,359	14,712,127	1,418,561	50,189,002
1994-95	38,500,317	6,959,777	13,546,777	1,368,647	43,718,670
1993-94	37,629,526	6,708,017	13,369,529	1,361,149	42,929,889

Note: Beginning in 2001-02 the assessed value is one hundred percent of the true tax value.
Prior to 2001-02 the assessed value was one-third of the true tax value.
2002-03 Data not available, because statewide reassessment of property not completed for all counties

State of Indiana
Assessed Value and Current Property Tax Levied by County

Payable 2003

(amounts expressed in thousands)

County	Assessed Value	Net Tax Levied
Adams	$ 1,397,613	$ 22,871
Allen	See Note	
Bartholomew	3,887,374	64,587
Benton	598,421	7,478
Blackford	441,533	9,815
Boone	2,915,463	42,571
Brown	See Note	
Carroll	See Note	
Cass	1,423,685	27,126
Clark	See Note	
Clay	See Note	
Clinton	See Note	
Crawford	See Note	
Daviess	See Note	
Dearborn	See Note	
Decatur	1,324,081	17,911
Dekalb	See Note	
Delaware	4,021,844	95,360
Dubois	2,091,919	30,207
Elkhart	8,743,896	155,998
Fayette	926,746	21,154
Floyd	2,861,421	55,154
Fountain	711,796	8,515
Franklin	See Note	
Fulton	887,850	13,247
Gibson	1,594,226	27,453
Grant	See Note	
Greene	See Note	
Hamilton	15,598,561	220,009
Hancock	2,892,855	42,605
Harrison	See Note	
Hendricks	6,151,318	95,259
Henry	1,852,730	28,533
Howard	4,355,159	74,803
Huntington	1,515,328	24,057
Jackson	See Note	
Jasper	1,826,298	21,540
Jay	814,074	14,346
Jefferson	1,198,631	23,845
Jennings	962,941	13,965
Johnson	5,904,124	84,777
Knox	See Note	
Kosciusko	See Note	
Lagrange	See Note	
Lake	See Note	
Laporte	4,898,920	87,458
Lawrence	See Note	
Madison	See Note	
Marion	44,251,743	979,447
Marshall	2,271,905	32,699
Martin	See Note	
Miami	See Note	
Monroe	5,082,670	77,176
Montgomery	See Note	
Morgan	2,909,786	31,103
Newton	773,052	12,128
Noble	See Note	
Ohio	237,090	1,948
Orange	634,435	7,771
Owen	673,987	10,746
Parke	See Note	
Perry	640,561	11,999
Pike	617,872	12,317
Porter	8,203,362	136,510
Posey	1,681,217	28,037
Pulaski	710,672	10,535
Putnam	1,541,746	22,827
Randolph	1,033,457	17,365
Ripley	See Note	
Rush	853,100	11,914
St Joseph	See Note	
Scott	772,562	13,252
Shelby	See Note	
Spencer	1,395,716	21,790
Starke	895,704	13,666
Steuben	See Note	
Sullivan	792,730	15,824
Switzerland	388,010	3,813
Tippecanoe	7,794,824	122,109
Tipton	769,316	10,780
Union	303,192	4,794
Vanderburgh	7,732,296	126,018
Vermillion	See Note	
Vigo	3,883,410	89,889
Wabash	1,411,360	21,799
Warren	469,131	5,162
Warrick	2,732,908	42,508
Washington	See Note	
Wayne	2,680,992	52,118
Wells	See Note	
White	See Note	
Whitley	See Note	
Total	$ 185,937,615	3,278,688
Property Tax Replacement Credit		1,062,603
Homestead Credit		147,599
Total Current Tax Levy		$ 4,488,890

Note: Data not available, because statewide reassessment not completed for the county.

State of Indiana
Property Valuations and Deductions for Property Taxes Payable 2003 by County

County	Value of Land	Value of Improvements	Total Value of Land and Improvements	Standard Deduction	Mortgage and Contract Deduction	Veterans' Deduction	Age 65 Deduction
Adams	$ 421,846,650	$ 1,055,332,020	$ 1,477,178,670	$ 253,917,300	$ 14,448,700	$ 1,741,800	$ 1,569,350
Allen	Data Not Available						
Bartholomew	916,128,750	2,862,456,265	3,778,585,015	575,323,450	31,910,200	4,605,300	7,006,150
Benton	329,006,900	299,499,600	628,506,500	74,193,150	4,740,050	666,950	1,310,000
Blackford	149,654,730	340,530,800	490,185,530	107,608,965	7,325,600	1,502,280	3,139,750
Boone	940,247,975	2,332,512,400	3,272,760,375	415,823,230	25,108,900	3,119,450	3,118,800
Brown	Data Not Available						
Carroll	Data Not Available						
Cass	494,698,160	1,016,794,820	1,511,492,980	285,965,010	17,613,800	2,942,800	5,064,450
Clark	Data Not Available						
Clay	Data Not Available						
Clinton	Data Not Available						
Crawford	Data Not Available						
Daviess	Data Not Available						
Dearborn	Data Not Available						
Decatur	400,373,780	926,505,100	1,326,878,880	188,659,000	12,012,876	1,945,950	2,893,300
Dekalb	Data Not Available						
Delaware	980,635,250	3,538,036,110	4,518,671,360	834,898,700	52,507,100	9,419,200	17,390,550
Dubois	370,607,400	1,703,206,850	2,073,814,250	338,785,425	17,476,100	3,287,450	2,660,950
Elkhart	2,008,748,650	6,695,848,400	8,704,597,050	1,310,445,900	73,580,700	9,027,900	13,831,300
Fayette	276,988,800	727,313,300	1,004,302,100	202,756,450	10,189,250	1,983,850	4,761,750
Floyd	538,904,890	2,810,634,420	3,349,539,310	596,776,290	34,249,975	6,187,250	7,358,950
Fountain	318,254,020	468,113,700	786,367,720	130,055,995	6,634,200	1,800,350	3,356,380
Franklin	Data Not Available						
Fulton	334,022,120	636,621,480	970,643,600	150,402,000	9,361,200	1,509,500	2,963,925
Gibson	362,338,840	1,319,821,700	1,682,160,540	245,224,650	14,602,350	3,874,650	5,289,950
Grant	Data Not Available						
Greene	Data Not Available						
Hamilton	4,637,351,540	13,254,808,770	17,892,160,310	1,942,552,900	140,923,400	7,720,350	3,945,000
Hancock	833,704,000	2,432,673,020	3,266,377,020	543,273,085	32,074,075	4,687,500	3,537,450
Harrison	Data Not Available						
Hendricks	1,720,576,960	5,167,129,200	6,887,706,160	1,027,325,772	66,286,751	6,653,480	5,343,450
Henry	494,261,860	1,571,073,200	2,065,335,060	414,107,940	23,292,300	4,100,880	4,981,850
Howard	1,059,154,400	3,436,754,200	4,495,908,600	689,820,800	49,327,000	5,438,250	10,137,350
Huntington	415,807,060	1,334,852,210	1,750,659,270	314,415,235	20,802,400	3,367,010	5,596,500
Jackson	Data Not Available						
Jasper	547,623,000	1,137,804,420	1,685,427,420	242,159,510	13,192,965	2,077,050	2,954,325
Jay	291,733,060	572,839,000	864,572,060	158,496,775	9,653,700	1,766,100	3,236,250
Jefferson	298,020,800	972,287,770	1,270,308,570	248,399,760	14,877,155	2,557,900	3,695,650
Jennings	317,879,300	778,666,280	1,096,545,580	219,710,450	13,495,525	2,776,300	4,418,365
Johnson	1,393,678,000	5,087,630,650	6,481,308,650	1,017,215,750	60,692,600	7,400,900	5,089,400
Knox	Data Not Available						
Kosciusko	Data Not Available						
Lagrange	Data Not Available						
Lake	Data Not Available						
Laporte	1,145,230,770	4,333,621,760	5,478,852,530	871,726,695	51,520,103	8,439,080	16,178,870
Lawrence	Data Not Available						
Madison	Data Not Available						
Marion	8,837,681,900	35,331,180,000	44,168,861,900	6,500,752,270	439,954,550	51,726,870	54,805,350
Marshall	713,059,990	1,759,773,738	2,472,833,728	358,777,480	21,260,600	2,545,550	2,242,150
Martin	Data Not Available						
Miami	Data Not Available						
Monroe	1,225,461,631	4,540,355,725	5,765,817,356	775,338,950	48,004,850	6,285,950	3,064,635
Montgomery	Data Not Available						
Morgan	892,233,400	2,406,759,150	3,298,992,550	569,057,850	32,286,000	4,245,000	4,325,650
Newton	317,073,451	467,271,700	784,345,151	114,681,232	6,396,450	927,350	831,500
Noble	Data Not Available						
Ohio	64,145,500	219,073,500	283,219,000	49,375,300	3,617,750	360,000	374,850
Orange	173,782,430	542,265,150	716,047,580	128,573,235	7,551,850	1,543,150	2,484,400
Owen	265,023,940	561,815,260	826,839,200	150,338,700	9,415,950	1,903,050	2,629,600
Parke	Data Not Available						
Perry	130,472,000	535,837,850	666,309,850	140,411,850	8,423,825	2,306,900	2,656,150
Pike	152,501,130	361,557,710	514,058,840	88,828,820	5,799,170	1,587,350	2,385,575
Porter	2,327,136,520	6,583,065,650	8,910,202,170	1,281,060,150	77,770,290	7,589,400	10,503,730
Posey	382,298,200	951,015,870	1,333,314,070	221,426,500	12,660,415	2,055,150	2,615,100
Pulaski	292,920,160	416,893,770	709,813,930	97,354,485	5,780,150	1,189,150	1,704,300
Putnam	587,847,870	1,268,871,535	1,856,719,405	270,594,850	15,681,545	3,307,900	2,773,770
Randolph	396,930,390	837,900,700	1,234,831,090	208,179,600	10,880,000	1,774,150	4,645,000
Ripley	Data Not Available						
Rush	342,705,300	578,104,700	920,810,000	139,317,665	7,764,755	1,199,250	2,348,150
St Joseph	Data Not Available						
Scott	228,013,205	624,358,030	852,371,235	168,182,335	9,729,750	1,898,900	2,569,900
Shelby	Data Not Available						
Spencer	364,186,910	866,504,580	1,230,691,490	148,964,840	8,490,850	1,756,100	992,850
Starke	323,629,210	749,586,200	1,073,215,410	186,974,550	10,786,150	1,439,200	3,140,150
Steuben	Data Not Available						
Sullivan	307,167,380	475,447,680	782,615,060	139,972,680	9,920,385	2,749,945	2,832,350
Switzerland	105,422,200	299,489,980	404,912,180	57,548,300	3,807,000	535,250	977,000
Tippecanoe	2,216,609,500	5,814,849,900	8,031,459,400	1,001,720,745	62,820,045	6,419,550	5,941,490
Tipton	298,769,800	612,154,900	910,924,700	154,190,250	10,013,250	1,405,450	1,482,000
Union	128,555,630	206,332,100	334,887,730	54,978,200	3,189,100	534,400	834,000
Vanderburgh	1,720,422,840	6,593,045,500	8,313,468,340	1,302,252,380	83,914,100	14,500,450	22,800,050
Vermillion	Data Not Available						
Vigo	981,470,410	3,591,371,600	4,572,842,010	688,522,120	45,714,550	10,887,000	15,975,600
Wabash	444,214,400	1,144,728,600	1,588,943,000	273,910,950	15,264,900	2,276,900	4,938,000
Warren	250,297,900	246,350,650	496,648,550	72,117,400	4,058,650	752,500	1,378,550
Warrick	610,455,020	2,138,858,090	2,749,313,110	470,242,750	33,123,850	3,508,340	3,716,100
Washington	Data Not Available						
Wayne	727,879,740	2,462,100,180	3,189,979,920	536,073,642	31,043,000	6,332,650	12,042,350
Wells	Data Not Available						
White	Data Not Available						
Whitley	Data Not Available						
Totals	**$ 47,805,845,622**	**$ 150,000,287,443**	**$ 197,806,133,065**	**$ 29,749,760,266**	**$ 1,873,022,705**	**$ 256,142,285**	**$ 330,840,315**

State of Indiana
Property Valuations and Deductions for Property Taxes Payable 2003 by County -- continued

County	Blind and/or Disabled Deduction	Energy System Deduction	Rehab, Urban Dev or Revit Deduction	Fertilizer/ Pesticide Deduction	Tax Exempt Property	Net Value of Land and Improvements	Personal Property Other Than Business Personal Property
Adams	$ 1,008,000	$ 1,461,800	$ 9,391,400	$ 204,600	$ 81,928,090	$ 1,111,507,630	$ 5,317,880
Allen	Data Not Available						
Bartholomew	1,920,000	2,774,200	37,286,040	41,800	122,530,730	2,995,187,145	38,952,988
Benton	275,000	-	2,580,260	269,300	10,859,360	533,612,430	1,769,160
Blackford	777,300	170,710	4,008,235	33,920	12,170,500	353,448,270	2,264,200
Boone	730,250	1,974,300	48,900,603	51,600	154,737,900	2,619,195,342	8,777,059
Brown	Data Not Available						
Carroll	Data Not Available						
Cass	1,061,600	-	8,367,060	-	60,167,500	1,130,310,760	3,706,000
Clark	Data Not Available						
Clay	Data Not Available						
Clinton	Data Not Available						
Crawford	Data Not Available						
Daviess	Data Not Available						
Dearborn	Data Not Available						
Decatur	1,097,960	856,994	16,451,569	2,180,250	92,364,610	1,008,416,371	5,707,730
Dekalb	Data Not Available						
Delaware	6,349,800	-	42,878,900	-	281,411,600	3,273,815,510	29,817,260
Dubois	741,000	3,059,900	1,094,530	530,000	89,525,800	1,616,653,095	4,614,340
Elkhart	3,535,700	204,000	6,901,900	-	378,266,200	6,908,803,450	15,464,120
Fayette	942,000	51,000	2,112,056	8,010	51,851,009	729,646,725	2,334,580
Floyd	4,149,300	342,300	30,857,930	-	202,873,210	2,466,744,105	4,154,750
Fountain	765,250	-	4,354,240	-	24,079,050	615,322,255	2,259,670
Franklin	Data Not Available						
Fulton	836,375	735,600	6,486,556	182,610	71,333,990	726,831,844	3,075,260
Gibson	1,786,650	-	187,830,800	-	132,272,710	1,091,278,780	3,135,490
Grant	Data Not Available						
Greene	Data Not Available						
Hamilton	1,974,000	1,648,376	51,338,094	296,300	1,559,687,570	14,182,074,320	55,877,350
Hancock	990,000	-	22,280,520	294,830	147,863,700	2,511,375,860	49,236,370
Harrison	Data Not Available						
Hendricks	2,145,810	569,500	229,495,890	-	202,788,780	5,347,096,727	20,836,950
Henry	2,427,100	-	27,663,810	33,090	63,420,160	1,525,307,930	24,825,590
Howard	2,808,000	1,876,500	56,888,570	31,800	495,431,670	3,184,148,660	31,464,610
Huntington	1,415,400	4,185,600	12,578,472	-	167,006,427	1,221,292,226	8,140,440
Jackson	Data Not Available						
Jasper	1,431,575	31,500	39,012,710	-	55,126,065	1,329,441,720	6,906,260
Jay	1,216,400	355,800	4,320,700	12,800	29,680,130	655,833,405	27,379,470
Jefferson	2,143,530	637,090	8,175,707	-	111,801,320	878,020,458	1,938,970
Jennings	2,121,550	660,850	12,832,515	64,800	31,953,280	808,511,945	3,232,803
Johnson	1,506,000	719,300	51,583,530	63,940	194,703,510	5,142,333,720	15,093,240
Knox	Data Not Available						
Kosciusko	Data Not Available						
Lagrange	Data Not Available						
Lake	Data Not Available						
Laporte	3,566,950	21,400	11,651,950	-	387,224,342	4,128,523,140	49,771,650
Lawrence	Data Not Available						
Madison	Data Not Available						
Marion	17,505,410	309,410	214,085,930	-	2,133,013,010	34,756,709,100	42,402,910
Marshall	1,204,350	446,980	22,216,580	268,580	146,294,947	1,917,576,511	12,788,990
Martin	Data Not Available						
Miami	Data Not Available						
Monroe	2,858,600	1,185,655	60,936,315	-	466,095,625	4,402,046,776	13,300,070
Montgomery	Data Not Available						
Morgan	1,452,000	2,154,700	23,709,230	-	82,502,539	2,579,259,581	11,610,540
Newton	510,000	-	-	74,100	9,185,500	651,739,019	3,644,480
Noble	Data Not Available						
Ohio	161,850	-	-	-	18,972,200	210,357,050	1,252,575
Orange	1,196,165	56,900	11,063,890	-	39,639,400	523,938,590	15,714,362
Owen	703,850	-	-	-	66,754,040	595,094,010	4,864,760
Parke	Data Not Available						
Perry	1,333,450	136,700	637,870	-	26,250,815	484,152,290	2,002,600
Pike	765,600	57,300	11,000	-	35,627,900	378,996,125	40,530,310
Porter	3,848,050	-	67,521,650	-	347,650,670	7,114,258,230	19,360,610
Posey	825,700	18,300	5,062,420	619,500	33,953,600	1,054,077,385	5,176,950
Pulaski	618,500	266,000	912,905	773,060	16,568,730	584,646,650	4,114,710
Putnam	1,248,385	167,000	12,498,245	-	260,277,585	1,290,170,125	4,850,840
Randolph	1,330,250	5,850	9,359,573	-	142,551,300	856,105,367	4,146,480
Ripley	Data Not Available						
Rush	633,300	247,540	4,038,823	672,960	51,869,800	712,717,757	1,905,800
St Joseph	Data Not Available						
Scott	2,935,250	-	13,322,825	-	29,498,100	624,234,175	2,411,010
Shelby	Data Not Available						
Spencer	543,550	143,970	53,541,530	-	114,307,210	901,950,590	6,859,190
Starke	2,719,600	-	3,367,590	-	90,469,200	774,318,970	2,025,010
Steuben	Data Not Available						
Sullivan	1,640,800	-	-	-	13,856,120	611,642,780	1,955,140
Switzerland	650,350	54,620	-	-	23,533,900	317,805,760	4,291,720
Tippecanoe	1,450,050	-	54,339,530	61,440	600,103,700	6,298,602,850	12,909,850
Tipton	300,000	1,103,300	4,114,230	-	81,967,550	656,348,670	3,216,080
Union	321,500	72,100	4,169,240	164,190	8,111,800	262,513,200	15,189,450
Vanderburgh	7,971,550	21,400	67,303,280	-	572,052,060	6,242,653,070	187,888,020
Vermillion	Data Not Available						
Vigo	4,488,900	-	58,928,140	120,200	779,591,190	2,968,614,310	5,546,550
Wabash	1,828,350	2,470,800	6,982,870	510,090	142,100,270	1,138,659,870	3,776,990
Warren	382,000	17,100	2,889,460	23,910	8,259,950	406,769,030	1,318,365
Warrick	2,084,900	247,065	4,546,375	-	85,191,770	2,146,651,960	15,611,920
Washington	Data Not Available						
Wayne	4,383,650	1,409,620	32,724,447	-	371,202,787	2,194,767,774	5,155,240
Wells	Data Not Available						
White	Data Not Available						
Whitley	Data Not Available						
Totals	**$ 117,618,410**	**$ 32,929,030**	**$ 1,675,608,495**	**$ 7,587,680**	**$ 12,010,512,481**	**$ 151,752,111,398**	**$ 881,875,712**

State of Indiana
Property Valuations and Deductions for Property Taxes Payable 2003 by County -- continued

County	Veterans' Deductions	Tax Exempt Property	Net Personal Property Other Than Business Personal Property	Net Land And Improvements And Non Business Personal Property	State & Local Assessment Of Railroads & Utilities	Business Personal Property	Total Value Of Railroads, Utilities & Business Personal Property
Adams	$ -	$ 2,130	$ 5,315,750	$ 1,116,823,380	$ 19,003,190	$ 282,152,710	$ 301,155,900
Allen	Data Not Available						
Bartholomew	34,010	4,160	38,914,818	3,034,101,963	74,902,100	956,221,070	1,031,123,170
Benton	-	-	1,769,160	535,381,590	12,216,280	53,774,900	65,991,180
Blackford	-	-	2,264,200	355,712,470	11,103,780	86,101,031	97,204,811
Boone	5,650	-	8,771,409	2,627,966,751	54,594,486	245,466,863	300,061,349
Brown	Data Not Available						
Carroll	Data Not Available						
Cass	-	-	3,706,000	1,134,016,760	34,232,830	257,333,560	291,566,390
Clark	Data Not Available						
Clay	Data Not Available						
Clinton	Data Not Available						
Crawford	Data Not Available						
Daviess	Data Not Available						
Dearborn	Data Not Available						
Decatur	660	13,260	5,693,810	1,014,110,181	31,240,550	316,644,320	347,884,870
Dekalb	Data Not Available						
Delaware	2,320	1,870	29,813,070	3,303,628,580	113,720,170	704,952,401	818,672,571
Dubois	-	-	4,614,340	1,621,267,435	39,836,740	447,166,742	487,003,482
Elkhart	14,740	-	15,449,380	6,924,252,830	138,535,790	1,794,899,390	1,933,435,180
Fayette	615	-	2,333,965	731,980,690	21,388,440	262,727,580	284,116,020
Floyd	810	-	4,153,940	2,470,898,045	118,771,510	307,528,809	426,300,319
Fountain	2,970	4,300	2,252,400	617,574,655	17,962,650	102,186,040	120,148,690
Franklin	Data Not Available						
Fulton	-	38,260	3,037,000	729,868,844	-	169,091,706	169,091,706
Gibson	12,000	-	3,123,490	1,094,402,270	185,613,950	626,189,600	811,803,550
Grant	Data Not Available						
Greene	Data Not Available						
Hamilton	27,614	2,928,355	52,921,381	14,234,995,701	229,632,150	1,160,372,709	1,390,004,859
Hancock	-	1,077,950	48,158,420	2,559,534,280	81,431,750	305,746,710	387,178,460
Harrison	Data Not Available						
Hendricks	-	5,210	20,831,740	5,367,928,467	166,235,470	621,730,890	787,966,360
Henry	-	-	24,825,590	1,550,133,520	110,918,740	256,874,370	367,793,110
Howard	15,390	126,600	31,322,620	3,215,471,280	98,743,840	1,865,213,653	1,963,957,493
Huntington	150	491,439	7,648,851	1,228,941,077	34,513,810	302,298,530	336,812,340
Jackson	Data Not Available						
Jasper	15,560	1,380	6,889,320	1,336,331,040	269,789,220	276,379,360	546,168,580
Jay	3,000	-	27,376,470	683,209,875	17,138,130	161,307,382	178,445,512
Jefferson	-	8,000	1,930,970	879,951,428	102,106,130	237,966,628	340,072,758
Jennings	-	-	3,232,803	811,744,748	-	180,387,910	180,387,910
Johnson	-	-	15,093,240	5,157,426,960	141,731,180	682,081,630	823,812,810
Knox	Data Not Available						
Kosciusko	Data Not Available						
Lagrange	Data Not Available						
Lake	Data Not Available						
Laporte	-	31,318,240	18,453,410	4,146,976,550	218,438,940	656,387,890	874,826,830
Lawrence	Data Not Available						
Madison	Data Not Available						
Marion	12,630	-	42,390,280	34,799,099,380	1,170,283,630	9,245,029,450	10,415,313,080
Marshall	8,120	-	12,780,870	1,930,357,381	52,546,670	347,506,040	400,052,710
Martin	Data Not Available						
Miami	Data Not Available						
Monroe	750	-	13,299,320	4,415,346,096	-	726,516,978	726,516,978
Montgomery	Data Not Available						
Morgan	47,000	40,450	11,523,090	2,590,782,671	102,449,280	247,324,010	349,773,290
Newton	-	-	3,644,480	655,383,499	22,290,170	95,529,100	117,819,270
Noble	Data Not Available						
Ohio	-	83,040	1,169,535	211,526,585	7,126,490	18,575,480	25,701,970
Orange	1,300	300	15,712,762	539,651,352	23,053,340	74,221,811	97,275,151
Owen	-	-	4,864,760	599,958,770	25,752,680	48,859,220	74,611,900
Parke	Data Not Available						
Perry	3,230	-	1,999,370	486,151,660	20,420,120	142,413,280	162,833,400
Pike	-	261,760	40,268,550	419,264,675	147,769,030	51,138,050	198,907,080
Porter	-	54,740	19,305,870	7,133,564,100	299,555,420	906,895,610	1,206,451,030
Posey	1,000	9,450	5,166,500	1,059,243,885	89,782,410	547,063,150	636,845,560
Pulaski	-	-	4,114,710	588,761,360	15,894,150	114,126,452	130,020,602
Putnam	-	-	4,850,840	1,295,020,965	43,208,920	290,328,710	333,537,630
Randolph	-	214,320	3,932,160	860,037,527	32,750,810	156,623,269	189,374,079
Ripley	Data Not Available						
Rush	-	-	1,905,800	714,623,557	21,296,050	154,479,690	175,775,740
St Joseph	Data Not Available						
Scott	-	265,050	2,145,960	626,380,135	20,360,040	158,713,627	179,073,667
Shelby	Data Not Available						
Spencer	12,000	3,459,060	3,388,130	905,338,720	237,537,790	838,933,000	1,076,470,790
Starke	300	-	2,024,710	776,343,680	24,163,950	96,285,025	120,448,975
Steuben	Data Not Available						
Sullivan	-	-	1,955,140	613,597,920	77,897,760	101,404,255	179,302,015
Switzerland	-	4,800	4,286,920	322,092,680	17,390,690	48,530,640	65,921,330
Tippecanoe	4,590	-	12,905,260	6,311,508,110	124,054,160	1,629,744,150	1,753,798,310
Tipton	-	-	3,216,080	659,564,750	14,686,270	111,820,220	126,506,490
Union	-	-	15,189,450	277,702,650	10,837,380	22,289,300	33,126,680
Vanderburgh	13,680	163,582,850	24,291,490	6,266,944,560	168,769,170	1,394,623,000	1,563,392,170
Vermillion	Data Not Available						
Vigo	-	-	5,546,550	2,974,160,860	279,627,330	914,702,830	1,194,330,160
Wabash	23,730	-	3,753,260	1,142,413,130	41,677,370	232,922,820	274,600,190
Warren	540	-	1,317,825	408,086,855	12,687,442	50,726,092	63,413,534
Warrick	18,000	1,885,900	13,708,020	2,160,359,980	123,441,390	449,106,680	572,548,070
Washington	Data Not Available						
Wayne	-	1,060	5,154,180	2,199,921,954	68,446,890	538,062,130	606,509,020
Wells	Data Not Available						
White	Data Not Available						
Whitley	Data Not Available						
Totals	**$ 282,359**	**$ 205,883,934**	**$ 675,709,419**	**$ 152,427,820,817**	**$ 5,639,558,628**	**$ 33,073,678,453**	**$ 38,713,237,081**

State of Indiana
Property Valuations and Deductions for Property Taxes Payable 2003 by County

County	Veterans' Deductions	Urban Dev Econ Revital Deduction	Enterprise Zone Deduction	Tax Exempt Property	Net Value Of Railroads, Utilities And Business Personal Property	Total Net Value of Taxable Property
Adams	$ -	$ 17,878,150	$ -	$ 2,487,830	$ 280,789,920	$ 1,397,613,300
Allen	Data Not Available					
Bartholomew	-	177,374,201	-	476,920	853,272,049	3,887,374,012
Benton	-	2,703,440	-	248,720	63,039,020	598,420,610
Blackford	-	11,008,970	-	375,530	85,820,311	441,532,781
Boone	-	9,765,470	-	2,799,450	287,496,429	2,915,463,180
Brown	Data Not Available					
Carroll	Data Not Available					
Cass	-	-	-	1,898,280	289,668,110	1,423,684,870
Clark	Data Not Available					
Clay	Data Not Available					
Clinton	Data Not Available					
Crawford	Data Not Available					
Daviess	Data Not Available					
Dearborn	Data Not Available					
Decatur	-	18,680,407	-	19,233,340	309,971,123	1,324,081,304
Dekalb	Data Not Available					
Delaware	40	43,076,740	-	57,379,910	718,215,881	4,021,844,461
Dubois	2,450	974,190	-	15,375,350	470,651,492	2,091,918,927
Elkhart	-	5,750,210	33,566,380	74,474,930	1,819,643,660	8,743,896,490
Fayette	-	71,586,197	10,787,430	6,977,230	194,765,163	926,745,853
Floyd	-	22,157,138	10,030,950	3,589,440	390,522,791	2,861,420,836
Fountain	-	15,193,740	-	10,733,350	94,221,600	711,796,255
Franklin	Data Not Available					
Fulton	-	10,351,050	-	759,600	157,981,056	887,849,900
Gibson	6,550	308,013,412	-	3,959,550	499,824,038	1,594,226,308
Grant	Data Not Available					
Greene	Data Not Available					
Hamilton	-	3,609,114	-	22,830,150	1,363,565,595	15,598,561,296
Hancock	12,000	52,908,680	-	937,440	333,320,340	2,892,854,620
Harrison	Data Not Available					
Hendricks	-	-	-	4,576,473	783,389,887	6,151,318,354
Henry	-	55,594,450	-	9,601,740	302,596,920	1,852,730,440
Howard	-	784,031,270	9,496,110	30,742,150	1,139,687,963	4,355,159,243
Huntington	90	36,993,788	-	13,431,618	286,386,844	1,515,327,921
Jackson	Data Not Available					
Jasper	-	55,769,830	-	431,740	489,967,010	1,826,298,050
Jay	490	46,407,600	-	1,173,780	130,863,642	814,073,517
Jefferson	-	-	-	21,393,478	318,679,280	1,198,630,708
Jennings	-	25,434,308	-	3,757,710	151,195,892	962,940,640
Johnson	-	66,882,400	-	10,233,840	746,696,570	5,904,123,530
Knox	Data Not Available					
Kosciusko	Data Not Available					
Lagrange	Data Not Available					
Lake	Data Not Available					
Laporte	-	5,290,980	73,227,719	44,364,642	751,943,489	4,898,920,039
Lawrence	Data Not Available					
Madison	Data Not Available					
Marion	-	423,853,080	35,751,120	503,064,790	9,452,644,090	44,251,743,470
Marshall	-	30,295,765	-	28,208,930	341,548,015	2,271,905,396
Martin	Data Not Available					
Miami	Data Not Available					
Monroe	-	-	10,702,515	48,490,640	667,323,823	5,082,669,919
Montgomery	Data Not Available					
Morgan	15,190	29,516,720	-	1,238,320	319,003,060	2,909,785,731
Newton	-	-	-	150,945	117,668,325	773,051,824
Noble	Data Not Available					
Ohio	-	-	-	138,380	25,563,590	237,090,175
Orange	-	-	-	2,491,070	94,784,081	634,435,433
Owen	-	-	-	583,640	74,028,260	673,987,030
Parke	Data Not Available					
Perry	18,070	-	7,674,760	730,790	154,409,780	640,561,440
Pike	-	-	-	299,360	198,607,720	617,872,395
Porter	-	110,181,460	3,986,970	22,485,150	1,069,797,450	8,203,361,550
Posey	-	13,967,239	-	904,900	621,973,421	1,681,217,306
Pulaski	-	5,467,977	-	2,642,056	121,910,569	710,671,929
Putnam	-	79,297,300	-	7,515,270	246,725,060	1,541,746,025
Randolph	-	8,501,840	-	7,452,770	173,419,469	1,033,456,996
Ripley	Data Not Available					
Rush	-	36,900,010	-	399,240	138,476,490	853,100,047
St Joseph	Data Not Available					
Scott	-	32,614,778	-	276,790	146,182,099	772,562,234
Shelby	Data Not Available					
Spencer	-	581,680,280	-	4,413,660	490,376,850	1,395,715,570
Starke	2,370	6,600	-	1,079,720	119,360,285	895,703,965
Steuben	Data Not Available					
Sullivan	-	-	-	170,380	179,131,635	792,729,555
Switzerland	-	-	-	3,850	65,917,480	388,010,160
Tippecanoe	-	180,740,090	22,423,550	67,318,910	1,483,315,760	7,794,823,870
Tipton	18,000	15,821,921	-	915,640	109,750,929	769,315,679
Union	-	7,636,890	-	-	25,489,790	303,192,440
Vanderburgh	-	35,703,860	62,328,640	8,150	1,465,351,520	7,732,296,080
Vermillion	Data Not Available					
Vigo	6,000	234,630,960	16,944,880	33,498,820	909,249,500	3,883,410,360
Wabash	-	5,653,820	-	-	268,946,370	1,411,359,500
Warren	2,700	2,308,531	-	57,910	61,044,393	469,131,248
Warrick	-	-	-	-	572,548,070	2,732,908,050
Washington	Data Not Available					
Wayne	10,400	73,221,305	16,075,242	36,132,000	481,070,073	2,680,992,027
Wells	Data Not Available					
White	Data Not Available					
Whitley	Data Not Available					
Totals	**$ 94,350**	**$ 3,755,436,161**	**$ 312,996,266**	**$ 1,134,916,272**	**$ 33,509,794,032**	**$ 185,937,614,849**

State of Indiana
Property Taxes Charged Payable 2003 by Fund and County

County	State Fair Board	State Forestry Fund	County General Fund	Property Reassessment Fund	County Debt Sevice Fund	Cumulative Bridge Fund	County Health Fund	County Welfare Family and Children
Adams	$ 15,380	$ 30,759	$ 4,286,687	$ 79,694	$ -	$ 932,557	$ 157,989	$ 493,542
Allen	Data Not Available							
Bartholomew	42,787	85,574	8,098,397	163,368	1,046,335	1,575,337	882,966	3,010,643
Benton	6,585	13,170	1,336,716	84,405	-	243,039	31,128	272,372
Blackford	4,848	9,697	1,597,302	81,099	-	161,758	107,545	617,500
Boone	31,266	62,531	3,029,925	216,017	-	1,017,554	491,723	639,524
Brown	Data Not Available							
Carroll	Data Not Available							
Cass	15,666	31,332	3,259,942	160,932	-	281,987	222,172	2,013,787
Clark	Data Not Available							
Clay	Data Not Available							
Clinton	Data Not Available							
Crawford	Data Not Available							
Daviess	Data Not Available							
Dearborn	Data Not Available							
Decatur	14,257	28,514	1,915,647	178,863	-	784,145	250,149	672,680
Dekalb	Data Not Available							
Delaware	43,049	86,098	16,237,254	277,861	1,573,241	2,316,812	414,835	7,541,380
Dubois	22,770	45,540	3,448,588	190,438	-	517,495	246,328	633,414
Elkhart	95,328	190,656	15,581,823	303,317	-	857,954	1,802,569	11,378,717
Fayette	10,197	20,393	3,450,133	95,477	528,365	323,508	134,409	1,833,520
Floyd	30,670	61,339	6,237,073	234,204	-	370,823	248,145	2,322,522
Fountain	7,649	15,298	1,705,072	105,002	-	403,320	89,704	609,848
Franklin	Data Not Available							
Fulton	9,767	19,535	1,888,640	87,906	-	237,967	138,518	927,005
Gibson	16,466	32,932	6,378,383	134,723	-	983,477	55,386	555,358
Grant	Data Not Available							
Greene	Data Not Available							
Hamilton	165,390	330,780	15,065,505	466,098	-	466,098	766,807	2,826,662
Hancock	31,051	62,101	5,394,336	333,088	158,076	392,367	200,418	2,266,694
Harrison	Data Not Available							
Hendricks	65,126	130,252	7,702,639	296,028	-	1,296,601	414,439	254,584
Henry	20,139	40,279	4,093,781	212,379	765,295	417,434	371,663	2,083,508
Howard	47,915	95,829	10,166,626	156,812	-	548,841	296,200	2,787,764
Huntington	16,200	32,400	3,836,489	119,292	-	577,314	138,438	929,299
Jackson	Data Not Available							
Jasper	19,838	39,676	2,844,054	153,294	-	721,383	174,935	467,096
Jay	8,955	17,910	2,693,900	99,322	-	488,468	128,630	213,298
Jefferson	12,739	25,477	3,605,020	133,176	-	806,005	225,820	1,141,840
Jennings	10,185	20,369	1,563,785	80,550	515,706	416,639	145,361	484,227
Johnson	63,790	127,580	5,897,666	272,557	695,890	2,006,482	400,137	1,067,031
Knox	Data Not Available							
Kosciusko	Data Not Available							
Lagrange	Data Not Available							
Lake	Data Not Available							
Laporte	52,639	105,278	17,643,616	421,112	-	756,087	899,647	3,971,847
Lawrence	Data Not Available							
Madison	Data Not Available							
Marion	457,565	915,130	113,143,347	1,830,260	-	-	-	48,418,697
Marshall	24,595	49,190	4,230,324	225,826	-	558,975	140,862	2,012,311
Martin	Data Not Available							
Miami	Data Not Available							
Monroe	53,398	106,795	8,004,776	388,346	-	975,719	407,763	6,456,248
Montgomery	Data Not Available							
Morgan	31,521	63,043	2,988,799	269,364	-	1,103,248	312,348	220,650
Newton	8,511	17,022	2,941,778	106,777	-	290,928	115,288	-
Noble	Data Not Available							
Ohio	2,608	5,216	433,401	43,388	-	118,545	109,773	120,679
Orange	6,988	13,977	1,046,359	83,861	-	381,187	55,272	94,026
Owen	7,417	14,834	1,278,458	110,584	-	360,072	60,012	161,156
Parke	Data Not Available							
Perry	5,928	11,856	1,700,835	79,760	133,113	357,844	82,994	441,915
Pike	6,806	13,613	3,410,013	102,096	-	309,382	65,589	905,253
Porter	87,046	174,093	21,650,810	371,925	-	530,192	546,018	1,139,516
Posey	18,497	36,993	5,094,983	144,610	-	1,008,908	127,795	1,172,014
Pulaski	7,818	15,636	2,599,143	105,899	-	161,336	118,692	993,602
Putnam	16,718	33,436	2,317,751	-	-	933,180	98,789	890,624
Randolph	11,311	22,622	2,994,301	121,335	-	342,411	165,550	2,007,169
Ripley	Data Not Available							
Rush	9,334	18,668	2,506,541	75,519	-	143,401	195,161	367,411
St Joseph	Data Not Available							
Scott	7,994	15,989	1,886,656	111,920	239,102	170,787	170,787	261,632
Shelby	Data Not Available							
Spencer	13,921	27,843	4,073,899	129,089	-	632,789	186,040	206,289
Starke	9,859	19,717	2,507,663	245,568	-	61,840	68,114	725,053
Steuben	Data Not Available							
Sullivan	8,721	17,441	3,447,004	191,060	-	330,589	59,458	250,518
Switzerland	4,268	8,537	853,678	36,863	-	182,765	202,554	241,358
Tippecanoe	78,028	156,056	14,101,781	305,018	-	2,255,718	-	3,922,679
Tipton	8,466	16,932	1,556,956	86,198	-	443,305	157,774	381,735
Union	3,337	6,674	1,035,422	25,180	-	50,664	92,833	238,757
Vanderburgh	82,441	164,881	23,638,002	427,193	-	2,997,844	2,143,459	8,341,502
Vermillion	Data Not Available							
Vigo	41,275	82,549	18,333,411	765,456	-	900,536	1,170,697	1,467,123
Wabash	15,527	31,053	3,079,913	91,748	-	333,116	134,093	1,401,629
Warren	5,162	10,323	1,693,952	89,155	-	269,812	49,270	106,986
Warrick	30,063	60,126	8,084,254	-	-	527,472	284,233	1,861,182
Washington	Data Not Available							
Wayne	28,802	57,605	9,688,049	311,589	-	866,688	746,242	2,264,909
Wells	Data Not Available							
White	Data Not Available							
Whitley	Data Not Available							
Totals	**$ 1,974,575**	**$ 3,949,150**	**$ 429,281,256**	**$ 12,012,601**	**$ 5,655,124**	**$ 37,500,705**	**$ 17,503,520**	**$ 139,088,285**

State of Indiana
Property Taxes Charged Payable 2003 by Fund and County -- continued

County	Hospital Care for Indigent Fund	County Medical Assist to Wards Fund	Children with Special Health Care Needs Fund	Cumulative Capital Development	Other County Funds	Township General Fund	Township Poor Relief Fund
Adams	$ 199,934	$ 25,166	$ 39,148	$ 314,581	$ 176,165	$ 145,587	$ 157,294
Allen	Data Not Available						
Bartholomew	381,193	101,133	116,692	-	591,237	199,123	648,381
Benton	36,516	11,374	10,177	112,540	375,933	70,198	30,073
Blackford	118,123	11,900	22,479	101,815	488,799	56,308	121,281
Boone	292,760	17,054	28,423	480,354	920,915	86,393	125,451
Brown	Data Not Available						
Carroll	Data Not Available						
Cass	484,220	119,631	22,787	306,198	1,213,399	153,179	168,887
Clark	Data Not Available						
Clay	Data Not Available						
Clinton	Data Not Available						
Crawford	Data Not Available						
Daviess	Data Not Available						
Dearborn	Data Not Available						
Decatur	219,042	9,073	20,738	260,518	543,069	125,548	48,949
Dekalb	Data Not Available						
Delaware	849,237	50,876	133,060	-	-	372,658	965,818
Dubois	107,639	39,330	18,630	629,274	60,029	89,669	41,939
Elkhart	875,286	181,990	242,654	1,178,603	4,931,066	751,920	630,694
Fayette	179,830	15,758	30,590	250,278	114,943	66,026	116,777
Floyd	473,984	97,585	105,949	-	1,035,926	155,302	140,461
Fountain	52,154	4,868	9,735	116,128	-	43,866	62,995
Franklin	Data Not Available						
Fulton	180,251	17,759	21,310	169,596	343,631	86,429	27,245
Gibson	155,680	23,951	28,442	-	-	260,401	135,578
Grant	Data Not Available						
Greene	Data Not Available						
Hamilton	285,673	15,035	75,177	2,586,095	9,592,607	501,111	340,325
Hancock	146,785	2,823	33,873	-	307,683	198,636	36,886
Harrison	Data Not Available						
Hendricks	195,378	47,364	65,126	1,053,858	1,924,180	379,361	112,804
Henry	378,986	65,911	34,786	316,737	422,926	160,929	156,800
Howard	757,923	74,050	82,762	1,027,988	1,507,135	834,571	784,010
Huntington	244,475	153,165	42,709	-	244,475	80,194	118,694
Jackson	Data Not Available						
Jasper	142,473	39,676	14,428	409,385	1,089,289	214,272	56,214
Jay	270,285	29,308	32,565	193,759	402,986	102,772	102,467
Jefferson	157,495	13,897	46,322	187,605	860,434	158,059	73,871
Jennings	190,728	30,554	21,295	-	62,033	48,531	93,310
Johnson	5,799	5,799	69,589	1,130,821	1,948,491	224,929	261,101
Knox	Data Not Available						
Kosciusko	Data Not Available						
Lagrange	Data Not Available						
Lake	Data Not Available						
Laporte	1,722,729	129,205	110,063	866,150	1,985,924	239,017	337,396
Lawrence	Data Not Available						
Madison	Data Not Available						
Marion	540,759	457,565	1,206,308	9,567,268	9,650,462	8,042,821	2,928,651
Marshall	221,354	6,708	51,426	440,472	-	247,642	227,853
Martin	Data Not Available						
Miami	Data Not Available						
Monroe	359,220	43,689	53,398	912,612	2,019,398	375,219	687,980
Montgomery	Data Not Available						
Morgan	280,827	80,236	77,371	495,745	275,096	528,328	121,368
Newton	120,704	287,059	15,475	150,880	593,462	268,943	29,272
Noble	Data Not Available						
Ohio	59,036	237	1,660	40,780	-	24,188	8,101
Orange	78,143	4,447	34,307	148,663	237,607	54,911	28,641
Owen	76,195	3,371	18,880	120,024	598,097	61,028	38,670
Parke	Data Not Available						
Perry	97,545	6,467	24,790	131,497	105,629	49,436	45,773
Pike	106,428	40,220	1,856	119,422	248,125	123,747	55,194
Porter	830,897	7,913	118,700	1,068,297	4,668,852	725,672	767,558
Posey	132,840	5,045	21,860	336,303	321,169	196,561	106,417
Pulaski	104,477	277,896	12,793	149,253	147,832	120,479	30,357
Putnam	95,750	6,079	42,555	-	398,197	86,723	40,244
Randolph	164,522	31,876	32,904	226,218	589,195	164,574	97,793
Ripley	Data Not Available						
Rush	52,609	11,879	21,213	173,099	102,671	112,040	31,888
St Joseph	Data Not Available						
Scott	89,391	34,157	48,693	170,061	620,649	72,460	86,973
Shelby	Data Not Available						
Spencer	131,620	6,328	18,984	253,116	43,030	142,991	58,430
Starke	235,710	11,651	35,849	157,737	-	123,440	24,490
Steuben	Data Not Available						
Sullivan	94,341	7,928	19,819	-	294,121	146,622	120,314
Switzerland	30,267	3,104	19,014	97,397	71,787	26,025	55,170
Tippecanoe	297,925	368,859	92,215	1,390,316	553,289	154,618	213,481
Tipton	45,408	7,696	17,701	147,768	-	112,270	31,195
Union	40,956	607	2,427	64,012	50,057	23,364	1,803
Vanderburgh	3,192,704	172,376	239,828	1,453,954	1,799,291	215,822	1,169,661
Vermillion	Data Not Available						
Vigo	510,304	37,522	187,612	649,136	1,489,637	678,675	358,096
Wabash	407,926	134,093	19,761	155,266	63,518	141,103	118,676
Warren	13,608	1,877	7,039	-	19,708	74,418	26,947
Warrick	292,432	30,063	73,791	546,603	2,374,614	237,983	178,838
Washington	Data Not Available						
Wayne	397,996	34,039	136,156	515,823	175,432	236,067	443,467
Wells	Data Not Available						
White	Data Not Available						
Whitley	Data Not Available						
Totals	**$ 18,206,468**	**$ 3,455,223**	**$ 4,133,892**	**$ 31,374,006**	**$ 58,654,198**	**$ 19,373,161**	**$ 14,029,002**

State of Indiana
Property Taxes Charged Payable 2003 by Fund and County -- continued

County	Township Fire Fighting Fund	Other Township Funds	Pre-School Special Education Fund	School General Fund	School Debt Service Fund	School Capital Projects Fund	School Transporation Fund
Adams	$ 103,560	$ 22,409	$ 46,139	$ 9,492,744	$ 3,221,723	$ 3,901,592	$ 1,962,458
Allen	Data Not Available						
Bartholomew	313,995	197,042	120,394	26,824,937	8,505,112	10,834,297	3,313,408
Benton	95,433	42,741	19,156	3,839,611	768,898	1,224,278	989,488
Blackford	48,599	6,001	14,104	3,290,878	2,108,933	1,275,106	532,077
Boone	478,472	242,574	93,797	16,268,496	12,778,821	5,875,327	3,311,650
Brown	Data Not Available						
Carroll	Data Not Available						
Cass	362,743	42,190	45,574	9,453,019	5,110,191	3,452,766	1,899,888
Clark	Data Not Available						
Clay	Data Not Available						
Clinton	Data Not Available						
Crawford	Data Not Available						
Daviess	Data Not Available						
Dearborn	Data Not Available						
Decatur	222,700	53,726	39,228	8,246,019	2,716,736	3,178,848	1,261,012
Dekalb	Data Not Available						
Delaware	731,190	632,911	129,147	29,028,636	10,073,646	9,506,372	5,832,076
Dubois	184,452	37,809	68,309	14,921,018	7,536,343	4,065,997	2,496,567
Elkhart	1,556,604	1,932,010	276,382	56,729,962	33,169,154	20,350,664	10,898,011
Fayette	48,753	-	30,590	7,229,336	1,179,089	3,135,895	1,593,439
Floyd	334,958	217,529	92,009	17,727,006	14,590,346	7,502,890	3,619,008
Fountain	75,142	60,852	12,745	4,256,618	829,874	1,424,261	782,998
Franklin	Data Not Available						
Fulton	251,523	215,641	27,793	5,760,018	2,511,651	1,634,425	1,027,934
Gibson	609,658	354,571	49,398	11,531,008	3,469,854	3,038,017	2,703,955
Grant	Data Not Available						
Greene	Data Not Available						
Hamilton	4,008,341	1,553,998	496,169	89,260,584	56,092,584	32,055,117	12,240,837
Hancock	980,571	954,331	81,861	17,012,725	12,440,681	6,696,053	2,927,925
Harrison	Data Not Available						
Hendricks	2,099,744	2,738,865	185,302	32,065,849	27,475,307	12,899,370	6,810,773
Henry	402,652	144,710	60,418	11,156,968	4,903,129	3,735,788	2,914,172
Howard	341,897	148,160	143,744	35,395,350	10,547,252	8,918,657	3,926,104
Huntington	178,847	117,744	45,655	9,058,826	2,008,818	3,780,525	2,064,782
Jackson	Data Not Available						
Jasper	246,305	150,714	57,711	12,368,948	3,486,310	3,303,522	1,506,429
Jay	123,481	26,011	26,052	5,746,009	1,882,229	2,149,258	1,212,214
Jefferson	140,079	15,714	38,216	9,364,770	2,665,627	3,091,131	2,108,033
Jennings	56,053	70,891	25,924	5,539,447	2,035,976	2,189,669	1,747,106
Johnson	73,538	15,287	172,758	33,693,200	21,972,935	11,970,787	5,306,491
Knox	Data Not Available						
Kosciusko	Data Not Available						
Lagrange	Data Not Available						
Lake	Data Not Available						
Laporte	778,948	569,749	153,131	28,480,172	10,076,019	10,566,123	5,241,717
Lawrence	Data Not Available						
Madison	Data Not Available						
Marion	48,912,943	12,147,095	1,372,695	310,188,995	103,954,641	119,716,265	59,520,432
Marshall	511,489	474,220	70,839	12,692,316	6,620,310	4,237,702	2,163,235
Martin	Data Not Available						
Miami	Data Not Available						
Monroe	1,294,065	499,939	160,193	28,521,595	9,552,182	8,724,306	4,373,542
Montgomery	Data Not Available						
Morgan	684,592	590,677	83,450	14,860,340	5,772,851	5,833,761	2,966,779
Newton	229,670	58,789	24,760	4,884,164	1,965,812	1,882,319	1,303,058
Noble	Data Not Available						
Ohio	19,623	-	6,876	1,392,669	326,711	227,133	110,958
Orange	-	7,152	19,695	4,345,166	1,560,721	934,952	911,050
Owen	95,563	145,029	18,739	3,485,375	3,099,302	1,497,876	1,458,761
Parke	Data Not Available						
Perry	11,989	-	17,784	4,279,094	2,176,391	946,141	742,461
Pike	60,948	4,215	3,094	4,917,324	1,360,664	2,138,451	1,743,060
Porter	1,695,212	927,880	261,139	43,915,966	25,299,626	17,404,331	10,368,546
Posey	491,592	308,855	55,490	17,705,049	5,278,108	3,034,205	1,759,528
Pulaski	183,063	43,488	22,650	4,701,309	1,422,647	1,359,078	913,503
Putnam	79,440	166,572	48,179	9,649,442	6,881,227	3,600,236	1,863,126
Randolph	163,515	56,992	32,174	6,643,434	1,831,779	2,000,496	1,667,639
Ripley	Data Not Available						
Rush	174,359	29,745	27,153	5,773,989	1,776,114	991,460	1,621,061
St Joseph	Data Not Available						
Scott	103,565	14,746	23,983	4,689,077	2,700,428	1,942,099	1,013,052
Shelby	Data Not Available						
Spencer	271,526	108,161	41,764	10,616,120	3,014,084	3,754,527	1,563,915
Starke	336,369	87,088	28,511	4,891,921	3,460,904	1,887,459	1,056,796
Steuben	Data Not Available						
Sullivan	135,074	195,844	26,162	6,309,042	4,090,141	2,020,003	1,681,724
Switzerland	37,625	-	12,805	1,776,813	551,786	733,387	103,217
Tippecanoe	729,448	528,245	2,483,574	234,084	49,590,196	18,512,146	15,152,263
Tipton	236,968	91,581	24,112	4,519,890	1,851,937	1,825,699	1,012,693
Union	63,721	-	9,708	1,722,569	1,361,855	540,616	490,559
Vanderburgh	678,949	756,294	247,322	47,313,476	6,587,763	13,145,547	59,957
Vermillion	Data Not Available						
Vigo	174,070	117,181	123,824	26,971,053	5,759,678	10,363,668	3,984,872
Wabash	324,296	129,941	45,168	8,871,028	3,702,941	3,126,770	1,498,028
Warren	63,844	8,630	14,041	2,693,970	479,214	864,003	648,016
Warrick	649,597	696,183	90,189	19,828,014	7,160,496	7,636,040	4,613,327
Washington	Data Not Available						
Wayne	788,275	84,686	83,789	17,790,569	5,487,590	6,241,522	3,028,853
Wells	Data Not Available						
White	Data Not Available						
Whitley	Data Not Available						
Totals	**$ 74,049,628**	**$ 28,843,410**	**$ 8,031,562**	**$ 1,149,926,008**	**$ 538,835,337**	**$ 428,878,929**	**$ 219,624,562**

State of Indiana
Property Taxes Charged Payable 2003 by Fund and County -- continued

County	School Bus Replacement Fund	Other School Funds	Library General Fund	Library Debt Service Fund	Library Capital Projects Fund	Other Library Funds	Municipal General Fund
Adams	$ 502,119	$ -	$ 596,515	$ 112,466	$ 4,589	$ 45,367	$ 2,629,267
Allen	Data Not Available						
Bartholomew	960,906	-	1,704,199	21,132	-	-	13,067,081
Benton	160,435	-	323,079	-	10,554	38,051	956,124
Blackford	110,038	-	271,251	32,562	-	-	1,455,327
Boone	880,913	-	1,040,280	-	43,410	362,647	3,088,358
Brown	Data Not Available						
Carroll	Data Not Available						
Cass	497,441	-	899,924	-	6,061	-	6,371,480
Clark	Data Not Available						
Clay	Data Not Available						
Clinton	Data Not Available						
Crawford	Data Not Available						
Daviess	Data Not Available						
Dearborn	Data Not Available						
Decatur	109,779	-	406,063	209,467	-	-	2,600,403
Dekalb	Data Not Available						
Delaware	1,083,074	-	3,760,277	-	60,970	-	18,315,979
Dubois	118,056	-	557,787	25,334	-	-	3,681,048
Elkhart	2,001,464	-	5,232,973	705,813	379,702	-	28,108,261
Fayette	324,435	-	512,607	-	71,376	-	7,179,233
Floyd	426,586	-	1,647,792	273,238	242,568	-	12,965,165
Fountain	142,610	-	229,002	-	13,655	83,447	711,471
Franklin	Data Not Available						
Fulton	246,154	-	717,329	108,939	57,195	-	1,149,992
Gibson	135,737	-	865,274	-	36,483	62,947	2,756,624
Grant	Data Not Available						
Greene	Data Not Available						
Hamilton	3,737,176	-	4,059,307	-	-	2,600,176	26,326,517
Hancock	844,696	-	-	-	-	-	5,298,522
Harrison	Data Not Available						
Hendricks	2,833,641	-	1,755,602	986,998	392,614	463,451	9,446,324
Henry	364,077	-	918,176	41,909	42,673	-	3,910,434
Howard	683,049	-	3,346,733	-	-	-	19,848,477
Huntington	269,511	-	728,494	-	11,128	266,088	6,248,596
Jackson	Data Not Available						
Jasper	425,116	-	877,118	387,167	204,292	-	1,703,628
Jay	526,731	-	531,047	169,150	-	-	2,366,708
Jefferson	303,218	-	788,634	-	-	-	3,963,011
Jennings	123,140	-	269,427	329,608	123,140	-	1,457,513
Johnson	1,764,053	-	2,775,848	868,976	520,378	244,467	9,738,010
Knox	Data Not Available						
Kosciusko	Data Not Available						
Lagrange	Data Not Available						
Lake	Data Not Available						
Laporte	892,309	-	4,643,555	54,613	110,056	294,400	18,360,159
Lawrence	Data Not Available						
Madison	Data Not Available						
Marion	22,580,056	-	30,812,784	11,549,942	99,260	-	17,645,873
Marshall	498,458	-	1,361,967	284,090	-	141,565	3,702,626
Martin	Data Not Available						
Miami	Data Not Available						
Monroe	1,106,137	-	3,232,978	1,834,934	-	-	11,569,864
Montgomery	Data Not Available						
Morgan	981,715	-	679,716	245,951	137,299	-	3,436,387
Newton	489,315	-	627,588	-	-	23,114	580,982
Noble	Data Not Available						
Ohio	-	-	73,735	-	-	-	17,714
Orange	137,332	-	153,525	-	-	101,469	985,040
Owen	264,901	-	282,528	-	-	179,362	441,079
Parke	Data Not Available						
Perry	80,705	-	455,170	181,221	-	-	1,717,665
Pike	47,645	-	378,065	-	-	-	530,430
Porter	1,675,601	-	4,485,693	1,136,584	480,855	-	21,504,108
Posey	311,457	-	1,032,308	-	2,872	-	1,980,920
Pulaski	401,770	-	438,056	-	-	76,147	367,912
Putnam	581,670	-	266,459	202,654	140,410	-	1,759,768
Randolph	354,030	-	394,945	-	1,292	-	3,091,605
Ripley	Data Not Available						
Rush	288,086	-	204,508	-	-	-	2,490,781
St Joseph	Data Not Available						
Scott	18,847	-	338,668	-	-	-	1,153,812
Shelby	Data Not Available						
Spencer	193,115	-	913,513	185,525	37,873	313,909	879,101
Starke	342,830	-	649,556	-	11,361	175,638	1,080,663
Steuben	Data Not Available						
Sullivan	203,075	-	745,212	-	-	-	1,140,969
Switzerland	-	-	113,694	-	-	-	224,976
Tippecanoe	44,503	7,848,917	2,912,823	1,347,353	151,588	-	20,110,448
Tipton	161,205	-	542,587	-	65,418	-	1,979,944
Union	61,282	-	216,004	-	-	-	369,380
Vanderburgh	8,978,543	2,255,878	5,793,334	2,263,372	-	-	33,203,933
Vermillion	Data Not Available						
Vigo	1,891,126	-	4,701,548	-	408,993	-	24,627,436
Wabash	539,579	-	647,423	-	4,498	-	4,452,059
Warren	216,141	-	122,264	20,604	-	-	250,416
Warrick	418,151	-	1,696,499	128,280	123,907	-	2,831,063
Washington	Data Not Available						
Wayne	1,169,635	-	1,690,142	159,942	188,025	-	9,031,005
Wells	Data Not Available						
White	Data Not Available						
Whitley	Data Not Available						
Totals	**$ 64,503,377**	**$ 10,104,794**	**$ 105,421,584**	**$ 23,867,825**	**$ 4,184,494**	**$ 5,472,245**	**$ 386,861,673**

State of Indiana
Property Taxes Charged Payable 2003 by Fund and County -- continued

County	Municipal Bond Fund	Firemens' Pension Fund	Police Pension Fund	Municipal Street Fund	Park and Recreation Fund	Cumulative Capital Development	Other Municipal Funds
Adams	$ -	$ 45,820	$ 171,232	$ 760,466	$ 448,554	$ 260,056	$ 13,816
Allen	Data Not Available						
Bartholomew	-	1,623,726	833,598	105,419	30,175	978,064	5,611,836
Benton	-	-	-	247,223	26,007	32,219	-
Blackford	126,436	-	16,570	196,102	-	94,650	-
Boone	18,675	44,205	28,784	89,228	679,618	326,285	817,417
Brown	Data Not Available						
Carroll	Data Not Available						
Cass	275,492	107,414	101,848	92,387	5,387	5,862	159,623
Clark	Data Not Available						
Clay	Data Not Available						
Clinton	Data Not Available						
Crawford	Data Not Available						
Daviess	Data Not Available						
Dearborn	Data Not Available						
Decatur	230,610	44,745	44,745	-	-	170,744	108,719
Dekalb	Data Not Available						
Delaware	692,299	1,322,392	1,884,258	147,568	-	190,883	1,485,237
Dubois	22,746	7,421	38,257	554,056	1,654,349	409,494	278,289
Elkhart	537,450	835,827	739,636	1,230,019	1,061,950	1,565,865	6,215,743
Fayette	-	147,676	-	156,547	73,055	87,145	128,369
Floyd	-	-	140,662	-	190,705	-	135,252
Fountain	-	-	-	282,373	75,841	35,853	221,116
Franklin	Data Not Available						
Fulton	61,025	36,830	1,613	502,706	233,883	76,705	150,091
Gibson	-	69,664	72,557	186,060	196,082	75,253	446,239
Grant	Data Not Available						
Greene	Data Not Available						
Hamilton	489,739	299,225	89,271	4,514,553	167,576	2,594,791	6,110,098
Hancock	-	-	-	1,042,710	611,655	23,003	147,804
Harrison	Data Not Available						
Hendricks	180,181	-	44,323	836,058	1,095,681	487,249	3,473,847
Henry	-	343,049	540,445	113,019	74,166	166,300	225,172
Howard	-	-	-	21,851	1,833,868	-	253,235
Huntington	51,437	49,683	19,289	205,045	599,705	213,117	716,009
Jackson	Data Not Available						
Jasper	-	-	-	133,794	55,459	125,329	68,095
Jay	-	46,121	37,988	489,725	148,872	80,027	182,992
Jefferson	-	-	4,773	-	748,399	190,966	316,207
Jennings	146,016	-	24,425	228,955	127,227	83,476	33,551
Johnson	784,385	99,129	99,129	999,538	1,470,472	992,338	3,329,864
Knox	Data Not Available						
Kosciusko	Data Not Available						
Lagrange	Data Not Available						
Lake	Data Not Available						
Laporte	198,381	388,316	410,864	434,867	2,752,439	726,277	857,191
Lawrence	Data Not Available						
Madison	Data Not Available						
Marion	706,633	28,348	17,324	156,328	99,632	941,758	1,559,519
Marshall	134,540	-	23,375	2,132,228	901,706	311,719	597,948
Martin	Data Not Available						
Miami	Data Not Available						
Monroe	564,055	497,550	98,525	126,858	4,638,385	713,926	1,830,740
Montgomery	Data Not Available						
Morgan	121,866	40,077	61,342	1,031,714	358,616	244,838	305,003
Newton	-	-	-	218,830	79,357	50,889	-
Noble	Data Not Available						
Ohio	-	-	-	226,351	-	-	-
Orange	44,841	-	-	126,882	24,545	37,061	78,085
Owen	-	-	-	-	-	33,635	-
Parke	Data Not Available						
Perry	-	-	44,307	-	-	64,316	66,460
Pike	-	-	-	9,054	24,351	19,094	-
Porter	2,158,640	194,584	233,501	1,975,178	1,079,702	905,384	4,389,436
Posey	36,291	28,885	20,632	371,457	402,900	71,686	27,892
Pulaski	-	-	-	242,646	9,923	20,402	134,445
Putnam	82,826	-	-	102,411	242,767	183,052	202,374
Randolph	-	31,776	4,191	511,664	66,731	115,489	448,867
Ripley	Data Not Available						
Rush	-	64,154	96,044	273,035	-	65,280	-
St Joseph	Data Not Available						
Scott	-	-	25,573	131,149	140,655	121,215	195,314
Shelby	Data Not Available						
Spencer	-	-	-	13,063	39,108	24,125	222,611
Starke	-	-	18,494	142,801	49,316	62,015	188,216
Steuben	Data Not Available						
Sullivan	-	-	-	-	25,850	33,307	14,049
Switzerland	-	-	-	-	7,239	-	-
Tippecanoe	-	33,378	119,350	1,599,760	3,995,737	1,496,959	989,085
Tipton	27,309	25,475	55,758	19,654	351	49,751	4,852
Union	-	-	-	167,244	-	18,919	10,114
Vanderburgh	-	1,180,589	1,823,249	3,608	4,526,745	-	2,484,333
Vermillion	Data Not Available						
Vigo	-	-	406,262	-	1,939,575	514,849	-
Wabash	152,638	207,734	205,760	626,776	254,863	48,098	544,000
Warren	-	-	-	-	22,382	16,043	41,641
Warrick	-	12,104	20,577	192,801	82,999	54,743	35,074
Washington	Data Not Available						
Wayne	206,612	370,557	257,331	1,409,062	1,985,141	499,166	103,529
Wells	Data Not Available						
White	Data Not Available						
Whitley	Data Not Available						
Totals	**$ 8,051,123**	**$ 8,226,452**	**$ 8,875,860**	**$ 25,380,822**	**$ 35,359,701**	**$ 16,709,670**	**$ 45,959,397**

State of Indiana
Property Taxes Charged Payable 2003 by Fund and County -- continued

County	Solid Waste District Tax	Fire Protection District Tax	Tax Increment Replacement	Other Special District Taxes	Tax Increment Financing Taxes	Personal Property Taxes to Replace TIF PTRC	Total Current Taxes
Adams	$ 437,617	$ -	$ -	$ -	$ -	$ -	$ 31,832,992
Allen	Data Not Available						
Bartholomew	583,458	-	-	-	-	-	92,571,942
Benton	-	-	-	-	-	-	11,407,521
Blackford	-	-	2,612	-	23,789	-	13,105,487
Boone	-	-	2,078	-	1,357,441	-	55,268,367
Brown	Data Not Available						
Carroll	Data Not Available						
Cass	-	-	-	-	7,659	-	37,351,067
Clark	Data Not Available						
Clay	Data Not Available						
Clinton	Data Not Available						
Crawford	Data Not Available						
Daviess	Data Not Available						
Dearborn	Data Not Available						
Decatur	219,042	-	-	-	503,590	-	25,437,368
Dekalb	Data Not Available						
Delaware	199,590	-	350,972	9,551,417	2,483,242	-	128,324,315
Dubois	-	36,657	-	150,117	427,505	-	43,362,693
Elkhart	-	-	74,413	-	1,529,727	-	214,134,209
Fayette	-	-	-	-	-	-	29,067,747
Floyd	-	-	-	344,892	1,706,445	-	73,671,032
Fountain	102,916	-	4,904	-	230,784	-	12,802,101
Franklin	Data Not Available						
Fulton	-	-	-	-	-	-	18,927,003
Gibson	691,578	-	-	243,181	1,800,955	-	38,155,871
Grant	Data Not Available						
Greene	Data Not Available						
Hamilton	-	-	1,317,006	-	8,811,442	-	290,307,871
Hancock	-	-	196,663	-	1,321,934	-	60,145,949
Harrison	Data Not Available						
Hendricks	-	-	429,954	-	3,833,346	-	124,472,220
Henry	-	-	37,466	-	386,154	-	40,022,430
Howard	566,265	-	-	-	-	-	105,143,066
Huntington	154,638	-	-	-	886,523	-	34,207,604
Jackson	Data Not Available						
Jasper	-	-	45,993	-	331,645	-	31,863,587
Jay	-	-	-	-	-	-	20,529,240
Jefferson	158,653	-	150,409	-	920,595	-	32,416,193
Jennings	95,364	-	101,767	-	825,201	-	19,317,151
Johnson	330,548	1,783,381	285,266	1,250,992	1,972,422	-	116,691,853
Knox	Data Not Available						
Kosciusko	Data Not Available						
Lagrange	Data Not Available						
Lake	Data Not Available						
Laporte	-	-	67,034	4,653,543	2,789,474	-	122,740,048
Lawrence	Data Not Available						
Madison	Data Not Available						
Marion	-	-	6,305,770	302,230,369	58,710,627	9,862,956	1,316,279,076
Marshall	192,287	-	-	-	717,342	-	46,207,502
Martin	Data Not Available						
Miami	Data Not Available						
Monroe	1,150,474	831,089	587,451	775,883	3,998,411	-	107,527,639
Montgomery	Data Not Available						
Morgan	-	95,455	-	78,299	756,307	-	46,214,979
Newton	-	-	-	-	-	-	17,364,747
Noble	Data Not Available						
Ohio	22,287	-	-	-	-	-	3,391,668
Orange	148,663	85,242	-	74,323	-	-	12,044,131
Owen	-	-	-	-	-	-	13,910,948
Parke	Data Not Available						
Perry	-	-	349,471	50,120	1,927,594	-	16,386,270
Pike	-	158,474	-	-	-	-	16,902,614
Porter	-	79,687	285,173	601,590	5,818,528	-	179,564,432
Posey	391,792	81,483	-	-	-	-	42,117,397
Pulaski	-	-	-	-	-	-	15,182,252
Putnam	-	144,129	-	35,230	450,910	-	31,642,929
Randolph	-	-	15,993	-	115,902	-	24,520,294
Ripley	Data Not Available						
Rush	-	-	-	-	125,113	-	17,822,315
St Joseph	Data Not Available						
Scott	80,670	-	94,421	-	860,819	-	17,635,344
Shelby	Data Not Available						
Spencer	217,680	73,735	-	-	1,880,414	-	30,288,238
Starke	-	-	-	184,624	-	-	18,881,253
Steuben	Data Not Available						
Sullivan	-	-	-	-	-	-	21,608,387
Switzerland	31,431	-	-	-	-	-	5,425,761
Tippecanoe	163,149	-	1,420,713	1,276,132	11,869,743	-	166,499,578
Tipton	93,895	-	-	-	-	-	15,602,482
Union	-	-	-	-	-	-	6,668,063
Vanderburgh	-	-	-	-	3,404,476	-	180,746,327
Vermillion	Data Not Available						
Vigo	-	1,323,888	-	7,330,218	3,374,689	-	120,684,959
Wabash	-	-	-	-	-	-	31,509,022
Warren	99,009	-	-	-	-	-	7,928,476
Warrick	516,540	-	-	-	-	-	61,368,239
Washington	Data Not Available						
Wayne	-	-	217,827	4,098,221	1,581,987	-	72,376,329
Wells	Data Not Available						
White	Data Not Available						
Whitley	Data Not Available						
Totals	**$ 6,647,545**	**$ 4,693,221**	**$ 12,343,356**	**$ 332,929,149**	**$ 127,742,734**	**$ 9,862,956**	**$ 4,487,578,582**

State of Indiana
Property Taxes Charged Payable 2003 by Fund and County -- continued

County	Less Personal Property Property Tax Replacement Credit	Less Business Personal Property Property Tax Replacement Credit	Less State Homestead Credit	Less County Option Income Tax Homestead Credit	Net Current Taxes Charged	Delinquent Taxes and Penalties Charged	Total Current and Delinquent Taxes and Penalties Charged
Adams	$ 7,009,033	$ 1,162,503	$ 790,339	$ -	$ 22,871,117	$ 1,071,043	$ 32,904,035
Allen	Data Not Available						
Bartholomew	21,379,535	3,665,873	2,939,441	-	64,587,093	3,407,221	95,979,163
Benton	3,409,731	249,151	270,787	-	7,477,852	352,500	11,760,020
Blackford	2,594,886	372,202	323,877	-	9,814,523	649,125	13,754,612
Boone	10,407,965	837,986	1,451,657	-	42,570,759	2,399,953	57,668,320
Brown	Data Not Available						
Carroll	Data Not Available						
Cass	8,116,088	1,201,356	907,688	-	27,125,935	1,966,074	39,317,141
Clark	Data Not Available						
Clay	Data Not Available						
Clinton	Data Not Available						
Crawford	Data Not Available						
Daviess	Data Not Available						
Dearborn	Data Not Available						
Decatur	5,713,419	1,246,980	566,338	-	17,910,632	1,454,745	26,892,114
Dekalb	Data Not Available						
Delaware	25,999,165	3,293,527	3,671,159	-	95,360,465	6,638,475	134,962,790
Dubois	10,045,549	2,004,281	1,106,074	-	30,206,788	983,627	44,346,320
Elkhart	45,374,134	7,146,448	5,615,634	-	155,997,994	10,858,749	224,992,958
Fayette	6,116,233	910,259	886,909	-	21,154,346	1,329,611	30,397,358
Floyd	14,601,101	1,400,820	2,515,126	-	55,153,986	3,822,747	77,493,779
Fountain	3,630,360	336,889	320,096	-	8,514,756	944,894	13,746,995
Franklin	Data Not Available						
Fulton	4,590,876	616,922	472,308	-	13,246,898	1,147,936	20,074,939
Gibson	7,701,121	2,096,761	904,730	-	27,453,259	1,594,197	39,750,068
Grant	Data Not Available						
Greene	Data Not Available						
Hamilton	60,532,120	4,187,606	6,891,912	-	220,008,722	10,410,105	300,717,976
Hancock	14,109,436	1,020,912	2,410,256	-	42,605,345	1,533,082	61,679,031
Harrison	Data Not Available						
Hendricks	23,152,083	2,336,475	3,724,894	-	95,258,768	5,079,953	129,552,173
Henry	9,086,014	1,056,788	1,346,243	-	28,533,385	1,381,463	41,403,893
Howard	22,884,716	5,839,442	1,615,454	-	74,803,454	5,858,905	111,001,972
Huntington	7,852,518	1,061,503	1,236,395	-	24,057,188	2,698,767	36,906,371
Jackson	Data Not Available						
Jasper	7,595,300	2,014,312	714,463	-	21,539,512	834,664	32,698,251
Jay	5,098,143	570,705	514,543	-	14,345,849	840,569	21,369,809
Jefferson	6,201,802	1,536,235	833,052	-	23,845,104	1,276,876	33,693,069
Jennings	4,345,069	477,158	529,499	-	13,965,425	1,435,256	20,752,407
Johnson	25,749,912	2,439,993	3,724,659	-	84,777,289	4,147,545	120,839,398
Knox	Data Not Available						
Kosciusko	Data Not Available						
Lagrange	Data Not Available						
Lake	Data Not Available						
Laporte	28,179,264	2,744,814	4,358,327	-	87,457,642	7,409,212	130,149,261
Lawrence	Data Not Available						
Madison	Data Not Available						
Marion	244,559,255	40,055,760	37,297,649	14,919,100	979,447,313	73,093,289	1,389,372,365
Marshall	10,983,879	1,247,673	1,277,397	-	32,698,554	2,066,335	48,273,837
Martin	Data Not Available						
Miami	Data Not Available						
Monroe	23,529,310	2,231,319	3,279,085	1,311,639	77,176,285	3,709,472	111,237,111
Montgomery	Data Not Available						
Morgan	12,367,400	1,020,825	1,723,395	-	31,103,360	2,799,467	49,014,446
Newton	4,341,762	463,810	431,031	-	12,128,144	687,298	18,052,045
Noble	Data Not Available						
Ohio	1,210,381	96,021	137,755	-	1,947,512	110,337	3,502,005
Orange	3,574,116	410,609	288,731	-	7,770,676	589,706	12,633,838
Owen	2,668,155	199,591	297,568	-	10,745,633	1,039,986	14,950,933
Parke	Data Not Available						
Perry	3,462,073	400,414	437,471	87,495	11,998,817	831,677	17,217,947
Pike	3,342,527	947,002	296,474	-	12,316,611	637,388	17,540,003
Porter	34,121,280	3,074,782	5,858,847	-	136,509,523	51,313,059	230,877,491
Posey	9,159,518	4,100,454	820,516	-	28,036,908	911,002	43,028,399
Pulaski	3,844,646	499,726	302,842	-	10,535,039	605,986	15,788,238
Putnam	7,098,134	1,001,767	715,575	-	22,827,453	1,514,338	33,157,267
Randolph	5,810,869	705,355	638,870	-	17,365,200	1,218,072	25,738,366
Ripley	Data Not Available						
Rush	4,838,665	570,677	499,256	-	11,913,718	592,786	18,415,101
St Joseph	Data Not Available						
Scott	3,459,326	554,478	368,867	-	13,251,798	1,532,913	19,168,257
Shelby	Data Not Available						
Spencer	5,929,304	2,055,664	427,948	85,590	21,789,733	750,700	31,038,939
Starke	4,329,795	411,893	473,393	-	13,666,173	1,496,477	20,377,731
Steuben	Data Not Available						
Sullivan	4,555,880	808,822	420,134	-	15,823,552	941,099	22,549,486
Switzerland	1,344,408	163,122	104,772	-	3,813,459	421,217	5,846,977
Tippecanoe	33,872,792	5,169,156	3,820,152	1,528,058	122,109,421	5,215,132	171,714,710
Tipton	3,888,384	384,523	549,327	-	10,780,248	596,867	16,199,349
Union	1,615,269	86,829	171,644	-	4,794,320	486,378	7,154,441
Vanderburgh	40,191,862	5,274,499	6,014,213	3,247,668	126,018,085	8,071,370	188,817,696
Vermillion	Data Not Available						
Vigo	23,724,656	3,614,371	3,456,704	-	89,889,229	8,448,212	129,133,171
Wabash	7,648,588	1,079,681	981,304	-	21,799,449	1,867,306	33,376,328
Warren	2,352,458	217,448	196,581	-	5,161,988	277,352	8,205,827
Warrick	14,295,895	2,492,298	2,072,440	-	42,507,606	2,886,760	64,254,999
Washington	Data Not Available						
Wayne	15,903,995	1,936,845	2,417,828	-	52,117,661	4,276,341	76,652,670
Wells	Data Not Available						
White	Data Not Available						
Whitley	Data Not Available						
Totals	**$ 929,500,153**	**$ 133,103,316**	**$ 126,419,625**	**$ 21,179,549**	**$ 3,278,687,551**	**$ 260,515,613**	**$ 4,748,094,195**

State of Indiana
Property and Excise Taxes Collected in 2002 by County

County	Property Taxes Paid by Taxpayers	Property Tax Replacement Credit Paid by State	Homestead Credit Paid by State	Personal Property Tax Reduction Credit Paid by State	Total Property Taxes Collected	License Excise Tax Collected	Total Excise, and Property Tax Collected
Adams	$ 23,115,738	$ 4,001,318	$ 777,495	$ -	$ 27,894,551	$ 2,716,580	$ 30,611,130
Allen	265,925,077	43,953,078	23,269,283	(5,747)	333,141,691	35,807,894	368,949,585
Bartholomew	59,909,437	12,200,686	2,528,599	-	74,638,722	7,840,154	82,478,876
Benton	8,589,989	1,787,376	252,532	-	10,629,897	948,546	11,578,443
Blackford	10,173,164	1,695,493	331,182	-	12,199,838	1,202,931	13,402,769
Boone	42,805,840	4,854,319	2,325,535	(1,711)	49,983,983	6,725,516	56,709,499
Brown	8,306,287	1,812,486	416,085	-	10,534,858	1,767,600	12,302,458
Carroll	15,707,689	2,702,147	565,417	-	18,975,254	2,285,783	21,261,037
Cass	27,679,974	5,200,226	923,474	-	33,803,673	4,023,391	37,827,064
Clark	72,050,134	13,525,683	2,878,716	5,576	88,460,109	10,110,114	98,570,222
Clay	12,624,989	3,027,482	580,640	(3,481)	16,229,630	2,570,424	18,800,054
Clinton	24,393,043	3,960,605	862,725	-	29,216,373	3,250,610	32,466,983
Crawford	5,673,412	1,014,229	179,904	-	6,867,544	862,087	7,729,632
Daviess	19,182,451	3,290,506	641,479	-	23,114,437	2,492,766	25,607,202
Dearborn	34,954,182	6,191,323	1,613,337	-	42,758,842	5,234,016	47,992,858
Decatur	16,973,825	3,309,503	504,083	-	20,787,411	2,540,835	23,328,245
Dekalb	33,957,673	5,917,458	1,066,330	(2,724)	40,938,738	4,193,865	45,132,603
Delaware	89,084,660	16,242,370	3,227,745	-	108,554,775	11,031,177	119,585,952
Dubois	32,642,434	5,441,909	1,239,196	(924)	39,322,614	4,830,926	44,153,539
Elkhart	157,504,021	29,798,029	5,390,363	1,520	192,693,934	17,409,239	210,103,173
Fayette	17,726,488	3,620,832	595,503	-	21,942,822	2,434,424	24,377,246
Floyd	53,003,367	8,905,947	2,909,220	-	64,818,534	7,917,950	72,736,484
Fountain	9,851,972	2,070,104	341,538	(172)	12,263,442	1,734,941	13,998,383
Franklin	10,329,288	2,263,567	536,902	(47)	13,129,710	2,295,780	15,425,490
Fulton	14,602,709	2,824,819	486,105	-	17,913,633	2,141,811	20,055,443
Gibson	28,730,973	5,235,578	810,399	(881)	34,776,069	3,548,919	38,324,988
Grant	48,029,603	9,112,513	1,601,726	-	58,743,841	6,804,704	65,548,546
Greene	16,270,912	2,732,439	601,257	-	19,604,608	2,983,424	22,588,032
Hamilton	221,658,369	28,582,094	14,580,471	-	264,820,934	33,477,250	298,298,184
Hancock	40,690,740	6,770,037	2,412,360	-	49,873,137	8,083,576	57,956,713
Harrison	16,916,978	3,582,504	772,049	-	21,271,531	3,934,403	25,205,934
Hendricks	97,955,062	12,669,781	5,644,792	(3,957)	116,265,679	15,400,803	131,666,481
Henry	31,153,722	5,333,741	1,241,031	(11,834)	37,716,659	5,577,325	43,293,984
Howard	83,934,926	15,583,860	2,665,997	-	102,184,782	11,846,745	114,031,527
Huntington	25,192,725	5,329,353	1,050,090	-	31,572,169	3,751,418	35,323,587
Jackson	28,123,679	5,667,808	837,192	-	34,628,680	4,178,614	38,807,294
Jasper	25,318,028	4,448,351	744,512	(158)	30,510,733	3,410,544	33,921,276
Jay	14,596,758	3,032,470	444,090	(1,221)	18,072,097	1,766,347	19,838,444
Jefferson	21,252,979	3,816,831	792,278	-	25,862,088	3,959,523	29,821,612
Jennings	14,307,953	2,408,433	595,582	-	17,311,968	2,233,839	19,545,807
Johnson	89,646,360	13,764,734	4,756,785	8,686	108,176,565	15,222,784	123,399,350
Knox	26,485,169	4,854,659	723,612	(675)	32,062,765	3,414,786	35,477,552
Kosciusko	57,751,610	9,144,066	1,894,166	1,091	68,790,932	8,207,743	76,998,675
Lagrange	20,439,099	3,791,885	654,747	-	24,885,730	2,618,666	27,504,396
Lake	589,548,046	114,331,837	21,531,194	-	725,411,077	47,206,363	772,617,440
Laporte	89,151,925	18,177,740	3,360,427	-	110,690,091	11,333,752	122,023,843
Lawrence	25,672,351	5,279,786	1,055,667	-	32,007,804	4,768,588	36,776,391
Madison	86,033,398	16,755,495	7,419,764	(12,960)	110,195,696	14,884,324	125,080,020
Marion	893,481,826	146,237,711	51,392,906	(6,325)	1,091,106,119	110,022,436	1,201,128,555
Marshall	33,768,980	6,906,709	1,218,405	-	41,894,094	4,603,323	46,497,417
Martin	5,062,910	937,956	203,346	-	6,204,213	921,404	7,125,616
Miami	19,208,383	3,411,529	1,355,103	-	23,975,016	3,629,348	27,604,364
Monroe	75,742,954	12,392,209	6,157,519	(2,682)	94,290,000	10,287,002	104,577,002
Montgomery	36,456,214	5,015,483	946,965	-	42,418,662	3,485,402	45,904,064
Morgan	34,986,446	6,739,625	2,011,195	-	43,737,266	7,870,293	51,607,559
Newton	11,712,387	2,325,287	406,060	-	14,443,735	1,586,553	16,030,288
Noble	30,692,874	5,602,269	997,660	17,538	37,310,342	4,165,394	41,475,736
Ohio	2,354,669	633,053	105,281	-	3,093,003	605,945	3,698,948
Orange	9,030,062	1,965,608	338,956	-	11,334,625	1,887,550	13,222,175
Owen	10,553,372	1,467,094	426,430	-	12,446,896	2,251,082	14,697,978
Parke	8,788,833	1,776,610	328,586	-	10,894,029	1,614,203	12,508,232
Perry	12,313,516	1,775,300	670,894	-	14,759,710	1,757,305	16,517,015
Pike	12,787,416	2,254,835	271,105	-	15,313,356	1,208,957	16,522,313
Porter	134,276,706	22,667,958	7,127,288	(1,921)	164,070,031	18,503,149	182,573,180
Posey	31,896,177	5,961,487	881,991	(76)	38,739,579	3,067,831	41,807,409
Pulaski	10,747,073	2,181,736	303,833	908	13,233,550	1,374,109	14,607,659
Putnam	23,677,706	3,691,940	876,175	(2,101)	28,243,720	3,558,797	31,802,518
Randolph	16,631,289	3,409,669	568,034	196	20,609,188	2,415,509	23,024,698
Ripley	16,215,204	2,972,671	635,984	348	19,824,208	2,548,276	22,372,484
Rush	12,758,178	2,809,773	391,105	-	15,959,056	1,751,970	17,711,027
St Joseph	246,410,711	36,989,666	19,390,296	-	302,790,673	26,377,369	329,168,041
Scott	13,930,440	1,919,763	517,569	-	16,367,771	1,996,476	18,364,247
Shelby	31,218,757	5,818,303	1,083,513	(720)	38,119,853	4,780,574	42,900,427
Spencer	22,150,089	3,374,810	506,549	691	26,032,140	2,195,610	28,227,749
Starke	13,906,335	2,455,060	586,057	-	16,947,452	2,170,839	19,118,291
Steuben	28,715,682	5,030,097	889,039	-	34,634,817	3,871,726	38,506,543
Sullivan	16,277,200	2,912,924	409,607	480	19,600,211	1,935,592	21,535,803
Switzerland	5,797,386	1,066,454	151,426	-	7,015,266	855,817	7,871,084
Tippecanoe	123,210,859	18,011,993	8,583,868	(12,771)	149,793,950	14,158,371	163,952,321
Tipton	10,880,480	2,322,456	477,419	(648)	13,679,706	2,248,590	15,928,296
Union	4,911,280	877,769	170,195	-	5,959,243	736,576	6,695,819
Vanderburgh	126,279,932	25,705,869	8,609,512	(2,936)	160,592,377	18,568,069	179,160,446
Vermillion	15,616,375	2,524,720	350,815	-	18,491,911	1,595,300	20,087,210
Vigo	88,277,126	15,855,234	2,713,439	(12,594)	106,833,205	9,506,914	116,340,120
Wabash	21,884,686	4,822,118	829,232	-	27,536,036	3,264,363	30,800,399
Warren	6,348,014	1,394,853	226,334	-	7,969,201	935,885	8,905,086
Warrick	39,740,320	7,163,161	2,004,629	-	48,908,111	6,556,659	55,464,769
Washington	13,618,762	2,647,430	502,938	-	16,769,131	2,466,585	19,235,717
Wayne	52,520,021	10,919,000	1,991,751	(2,117)	65,428,655	6,024,770	71,453,426
Wells	19,108,785	3,392,894	724,422	-	23,226,101	2,751,494	25,977,595
White	21,866,194	3,773,546	645,001	(735)	26,284,007	2,775,872	29,059,879
Whitley	20,363,321	3,736,586	922,375	-	25,022,282	3,427,722	28,450,004
Totals	**$ 5,151,805,138**	**$ 895,868,710**	**$ 260,534,380**	**$ (55,085)**	**$ 6,308,153,143**	**$ 671,300,811**	**$ 6,979,453,954**

State of Indiana
Distribution of Property and Excise Taxes Collected in 2002 by Fund and County

County	State Fair Board	State Forestry Fund	Hospital Care for Indigent Fund	Medical Assistance to Wards Fund	Children with Special Health Care Needs Fund	County Funds	Township Funds	School Funds	Library Funds	Municipal and Special District Funds	Total Property and Excise Taxes Distributed
Adams	$ 11,377	$ 22,754	$ 202,721	$ 25,857	$ 40,337	$ 6,363,994	$ 480,468	$ 18,280,160	$ 757,488	$ 4,425,974	$ 30,611,130
Allen	121,762	243,523	2,247,055	265,662	354,216	62,928,608	6,038,571	194,989,201	21,551,803	80,209,185	368,949,585
Bartholomew	31,430	62,860	374,339	100,014	114,302	14,167,991	1,356,622	46,434,801	1,636,802	18,199,714	82,478,876
Benton	6,348	6,535	37,088	11,712	10,541	2,443,904	242,514	7,189,397	365,330	1,265,074	11,578,443
Blackford	3,897	7,794	123,289	12,400	23,737	3,208,694	237,857	7,520,780	289,907	1,974,415	13,402,769
Boone	19,815	39,630	315,243	19,815	32,425	7,010,999	875,228	40,432,770	1,547,333	6,416,240	56,709,499
Brown	5,386	10,772	97,434	2,448	16,157	2,666,047	165,683	8,586,885	252,642	499,004	12,302,458
Carroll	7,696	15,392	104,248	5,597	23,788	3,346,058	575,752	13,772,571	664,068	2,745,866	21,261,037
Cass	12,038	24,077	506,705	124,761	24,077	7,647,638	768,617	20,954,222	985,019	6,779,910	37,827,064
Clark	29,880	59,759	842,062	119,519	293,363	15,291,115	1,214,409	48,331,994	2,695,950	29,692,173	98,570,222
Clay	7,614	15,229	98,989	11,768	24,920	2,928,822	371,574	13,718,403	205,219	1,417,515	18,800,054
Clinton	10,703	21,406	180,009	45,732	27,245	6,866,612	766,232	17,418,586	1,254,248	5,876,210	32,466,983
Crawford	2,282	4,564	41,701	1,245	9,751	2,237,561	96,583	4,213,710	113,278	1,008,957	7,729,632
Daviess	8,816	17,632	42,476	36,866	41,675	5,952,258	406,117	14,138,701	585,095	4,377,567	25,607,202
Dearborn	16,963	33,925	257,526	24,673	20,047	8,437,009	691,341	29,076,546	2,010,257	7,424,570	47,992,858
Decatur	10,226	20,451	218,459	9,296	21,381	4,231,597	474,372	14,227,936	585,548	3,528,977	23,328,245
Dekalb	17,218	34,436	129,919	25,045	39,132	7,791,998	682,815	26,621,463	1,124,545	8,666,032	45,132,603
Delaware	30,144	60,288	846,775	52,067	134,278	24,962,036	2,479,556	53,960,518	3,694,242	33,366,048	119,585,952
Dubois	18,738	37,476	110,724	42,586	20,441	5,813,838	380,510	30,012,638	611,264	7,105,325	44,153,539
Elkhart	75,390	150,780	904,677	191,902	253,584	36,666,348	4,839,943	119,371,108	6,315,414	41,334,026	210,103,173
Fayette	7,787	15,573	161,393	14,865	28,315	5,793,424	240,351	11,869,475	542,932	5,703,131	24,377,246
Floyd	23,291	46,583	501,824	101,635	112,222	11,100,691	1,014,684	42,328,998	2,307,969	15,198,585	72,736,484
Fountain	8,539	8,847	57,955	5,796	10,537	3,459,687	309,179	8,005,331	310,528	1,821,985	13,998,383
Franklin	6,921	13,843	32,721	61,037	51,598	2,810,218	192,770	10,991,878	265,358	999,145	15,425,490
Fulton	7,426	14,851	194,414	19,576	22,952	3,693,870	676,523	12,250,281	942,836	2,232,715	20,055,443
Gibson	12,819	25,637	164,310	24,472	30,298	8,452,047	1,174,255	21,608,867	993,330	5,838,953	38,324,988
Grant	20,715	41,430	1,267,395	131,824	84,744	14,828,328	1,083,846	32,503,813	2,340,216	13,246,234	65,548,546
Greene	7,948	15,897	99,717	7,948	28,903	5,106,519	753,943	14,456,821	547,320	1,563,015	22,588,032
Hamilton	113,439	226,878	309,379	10,313	92,814	33,722,314	7,860,440	202,107,702	7,888,227	45,966,678	298,298,184
Hancock	20,818	41,636	143,834	1,893	34,066	9,144,789	1,915,611	38,817,648	0	7,836,419	57,956,713
Harrison	12,008	24,016	112,440	17,466	42,574	5,778,097	431,760	16,817,550	982,484	987,537	25,205,934
Hendricks	43,501	87,002	213,550	55,365	75,138	12,935,562	4,529,894	89,139,355	3,915,988	20,671,128	131,666,481
Henry	13,139	26,279	410,903	70,475	38,223	8,711,377	882,780	24,100,394	1,128,748	7,911,666	43,293,984
Howard	40,421	80,842	801,068	77,167	91,866	16,877,552	2,174,307	63,565,803	3,552,170	26,770,332	114,031,527
Huntington	11,836	23,672	259,319	161,402	45,193	6,030,021	537,449	18,552,604	1,028,291	8,673,801	35,323,587
Jackson	17,457	34,915	285,667	4,761	58,720	4,711,917	433,355	24,861,419	1,510,929	6,888,153	38,807,294
Jasper	15,466	30,932	147,630	40,774	16,872	6,299,519	770,464	22,751,365	1,470,679	2,377,575	33,921,276
Jay	6,949	13,898	272,266	29,059	32,849	4,293,082	391,330	10,990,441	654,821	3,153,750	19,838,444
Jefferson	10,797	21,593	151,151	12,760	44,168	7,230,725	408,081	15,899,294	759,683	5,283,361	29,821,612
Jennings	7,697	15,393	205,706	33,585	23,090	3,981,191	325,779	11,728,071	444,998	2,780,298	19,545,807
Johnson	45,816	91,632	4,165	4,165	74,971	15,177,445	585,435	79,176,009	4,518,606	23,721,105	123,399,350
Knox	21,045	10,523	326,202	75,572	19,132	6,349,942	733,762	18,366,446	1,003,433	8,571,496	35,477,552
Kosciusko	32,446	64,891	215,325	20,646	53,094	8,857,770	2,042,488	52,351,240	2,198,870	11,161,904	76,998,675
Lagrange	12,179	24,357	29,893	52,036	15,500	5,195,859	543,488	18,370,150	432,896	2,828,037	27,504,396
Lake	109,363	218,725	20,599,932	6,034,826	695,944	160,987,102	25,707,069	271,513,890	26,988,080	259,762,509	772,617,440
Laporte	34,489	67,933	1,755,819	134,822	111,829	27,272,806	1,902,666	56,393,010	5,085,833	29,264,636	122,023,843
Lawrence	10,758	21,515	401,946	10,758	46,943	6,891,761	490,925	20,162,297	1,228,788	7,510,700	36,776,391
Madison	33,677	67,354	1,374,636	128,585	159,201	23,224,911	2,281,217	56,065,699	5,062,994	36,681,746	125,080,020
Marion	338,143	676,287	553,326	461,105	1,168,132	162,401,033	63,773,549	581,660,142	36,090,074	354,006,766	1,201,128,555
Marshall	16,691	33,381	230,633	7,587	53,106	7,453,072	1,621,886	26,384,606	1,742,840	8,953,617	46,497,417
Martin	2,684	5,368	112,983	41,484	19,766	1,761,602	125,304	4,313,210	71,392	671,823	7,125,616
Miami	9,388	18,776	179,223	58,888	44,379	6,653,438	447,028	14,918,490	347,027	4,927,728	27,604,364
Monroe	36,380	72,760	386,952	49,609	59,531	17,313,639	3,138,230	51,765,174	5,440,485	26,314,242	104,577,002
Montgomery	16,020	32,039	160,197	40,777	27,670	5,825,349	924,276	31,130,964	912,447	6,834,325	45,904,064
Morgan	21,738	43,476	320,142	92,881	88,928	6,916,656	2,355,224	34,205,492	1,144,887	6,418,134	51,607,559
Newton	5,700	11,400	117,110	278,783	15,546	3,893,121	598,428	9,598,790	608,865	902,545	16,030,288
Noble	16,097	32,191	188,762	42,435	19,023	5,927,707	974,863	26,180,523	1,420,213	6,673,922	41,475,736
Ohio	1,835	3,670	68,400	334	2,002	956,760	58,444	2,256,186	82,747	268,569	3,698,948
Orange	6,095	12,190	86,438	4,987	38,232	2,474,015	92,823	8,599,563	274,063	1,633,771	13,222,175
Owen	4,792	9,585	84,082	3,921	20,912	2,576,925	301,826	10,723,890	466,156	505,889	14,697,978
Parke	4,745	9,490	95,328	11,646	34,077	3,009,527	328,755	8,112,126	266,679	635,858	12,508,232
Perry	4,735	9,470	103,310	7,318	26,258	3,003,749	117,464	8,799,537	748,659	3,696,515	16,517,015
Pike	5,993	11,986	107,326	40,860	1,634	4,709,248	247,347	10,256,397	381,360	760,164	16,522,313
Porter	53,546	107,417	814,701	9,855	111,963	30,467,001	4,506,517	101,401,508	6,143,752	38,956,922	182,573,180
Posey	17,419	34,837	137,766	6,334	23,753	8,052,158	1,181,621	28,000,940	868,831	3,483,752	41,807,409
Pulaski	5,547	11,094	104,383	278,354	13,111	4,016,190	367,005	8,509,415	498,789	803,773	14,607,659
Putnam	12,229	24,458	96,724	5,559	42,247	4,149,121	381,470	22,709,411	646,461	3,734,837	31,802,518
Randolph	8,378	16,756	169,080	32,750	34,273	5,892,665	416,809	12,112,747	389,705	3,951,536	23,024,698
Ripley	9,465	18,929	110,135	12,046	29,254	4,299,665	257,276	15,090,753	400,425	2,144,536	22,372,484
Rush	6,468	12,936	53,507	12,348	21,756	3,649,654	382,940	10,386,252	196,804	2,988,362	17,711,027
St Joseph	75,176	139,612	4,809,962	188,754	423,069	56,277,282	7,063,618	143,714,642	13,755,355	102,720,571	329,168,041
Scott	6,187	12,375	95,062	36,562	52,312	3,823,846	282,205	10,997,340	363,935	2,694,423	18,364,247
Shelby	17,097	34,193	32,639	219,148	31,085	7,140,193	648,398	26,332,059	865,713	7,579,902	42,900,427
Spencer	11,967	23,934	126,196	5,439	18,494	5,128,330	644,407	16,948,794	1,173,544	4,146,645	28,227,749
Starke	6,485	12,969	247,001	12,380	37,728	3,773,398	554,114	11,937,003	899,612	1,637,600	19,118,291
Steuben	16,408	32,816	70,107	85,023	28,341	6,931,456	674,414	25,765,483	690,128	4,212,366	38,506,543
Sullivan	7,137	14,274	99,917	8,434	20,762	4,765,507	586,210	13,843,448	753,917	1,436,197	21,535,803
Switzerland	2,757	5,515	37,849	4,261	23,813	2,171,960	156,565	5,073,338	154,155	240,871	7,871,084
Tippecanoe	64,191	112,334	310,255	385,145	101,635	20,813,674	1,805,336	98,361,546	4,039,667	37,958,537	163,952,321
Tipton	6,379	12,758	50,451	8,119	19,716	2,720,293	532,826	9,526,538	656,442	2,394,774	15,928,296
Union	2,306	4,611	39,614	629	2,306	1,478,009	92,590	4,296,438	210,436	568,880	6,695,819
Vanderburgh	56,000	112,001	3,370,207	183,274	254,547	37,942,465	2,879,259	82,254,437	6,735,323	45,372,932	179,160,446
Vermillion	7,183	14,365	62,685	1,959	19,589	4,851,543	595,607	12,549,313	830,460	1,154,507	20,087,210
Vigo	31,015	62,030	499,060	36,654	183,271	23,873,125	1,382,873	47,097,755	4,931,392	38,242,945	116,340,120
Wabash	11,205	22,411	428,857	141,594	20,373	4,640,009	741,907	17,858,755	645,504	6,289,782	30,800,399
Warren	3,609	7,218	14,765	2,297	7,874	2,735,703	231,648	5,259,890	166,586	475,496	8,905,086
Warrick	23,953	47,905	287,431	30,485	74,035	12,365,553	1,571,183	35,560,936	1,924,419	3,578,870	55,464,769
Washington	7,344	14,688	130,857	12,017	28,708	4,355,376	455,768	11,163,276	273,581	2,794,101	19,235,717
Wayne	20,505	41,010	406,372	33,554	139,807	12,750,385	1,879,854	34,589,623	2,510,021	19,082,295	71,453,426
Wells	9,706	19,412	156,179	43,236	15,883	4,900,671	516,089	16,684,160	951,531	2,680,728	25,977,595
White	12,068	24,136	5,485	1,097	13,165	4,586,919	489,127	20,281,353	846,143	2,800,386	29,059,879
Whitley	11,105	22,210	227,146	30,286	22,210	4,613,590	920,728	18,853,394	770,467	2,978,868	28,450,004
Totals	**$ 2,170,338**	**$ 4,267,207**	**$ 53,970,600**	**$ 11,442,754**	**$ 7,101,427**	**$ 1,187,923,235**	**$ 190,842,426**	**$ 3,691,063,880**	**$ 228,643,451**	**$ 1,602,028,638**	**$ 6,979,453,954**

Full Time State Employees Paid Through The Auditor of State's Office

Agency Name	Branch	Dec, 2003	Dec, 2002	Dec, 2001	Dec, 2000	Dec, 1999
Adjutant General	G	319	296	289	285	283
Administration	G	484	490	539	566	562
Alcoholic Beverage Comm	G	83	84	84	78	73
Animal Health	G	121	132	133	135	132
Arts Commission	G	9	9	12	8	10
Attorney General	O	259	244	240	238	244
Auditor of State	O	66	69	72	70	69
Board of Accounts	G	289	293	289	294	302
Board of Health	G	738	703	696	703	724
Branchville Corr Fac	G	368	368	375	374	355
Budget Agency	G	31	29	30	29	32
Bureau of Motor Vehicles	G	432	418	423	440	407
Central State Hospital	G	-	-	-	-	2
Civil Rights Commission	G	35	40	42	46	44
Clerk of Courts	O	13	14	13	14	14
Commerce	G	150	139	150	141	145
Correctional Industrial Fac	G	502	497	509	499	498
Court of Appeals	J	90	90	90	90	82
Criminal Justice System	G	33	30	40	38	33
Data Processing Oversight	G	6	5	7	7	5
Department of Corrections	G	1,072	1,050	1,013	967	937
Department of Education	O	260	264	264	268	268
Department of Labor	G	97	105	113	114	118
Department of Personnel	G	70	62	79	86	78
Department of Revenue	G	893	906	921	908	903
Dept of Transporation	G	4,129	4,249	4,282	4,302	4,330
Disability, Aging, Rehabilitation	G	852	814	789	779	749
Division State Court Administration	J	671	659	660	638	629
Education Employment Rel	G	9	12	12	13	12
Election Board	G	10	9	10	10	9
Emergency Management	G	50	44	46	47	46
Employees on Disability Leave	D	1,217	1,315	1,263	1,235	1,159
Environmental Adjudication	G	1	3	2	3	3
Environmental Management	G	877	901	929	925	874
Ethics Commission	G	4	4	4	4	4
Evansville State Hospital	G	397	431	460	467	476
Family & Social Services	G	427	443	429	406	401
Financial Institutions	G	73	66	68	68	72
Fire & Building Services	G	177	181	182	182	180
Fort Wayne State Hospital	G	1,062	1,022	1,071	1,053	1,055
FSSA-Div. of Family & Children	G	4,233	4,256	4,315	4,361	4,269
Gaming Commission	G	28	31	29	28	23
Governor's Council on Disab	G	5	5	5	5	6
Governor's Office	G	35	31	34	42	43
Health Professions Service	G	57	50	52	41	40
Henryville Correctional	G	38	41	38	40	37
Higher Education Comm	G	16	16	16	14	14
Historical Bureau	G	9	9	9	10	9
Horse Racing Commission	G	15	10	9	9	8
House of Representatives - Legislators	O	100	100	100	100	100
House of Representatives - Staff	O	82	77	78	77	77
Human Resource Invest Coun	G	1	2	4	2	2
Ind. Comm Nat. @ Comm Ser	G	-	-	-	7	4
Indpls Juvenile Corr. Facility	G	171	170	165	160	175
Industry Division Pen Products	G	88	76	70	56	49
Insurance Department	G	76	76	83	82	87
Integrated Public Safety Comm	G	5	4	-	-	-
Judicial Center	J	21	20	20	16	16
LaRue Carter Hospital	G	277	282	280	299	307
Law Enforcement Training	G	64	63	65	64	57
Legislative Services	O	80	79	74	75	70
Lieutenant Governor	G	6	8	10	11	10
Lobby Registration Comm	G	1	1	1	1	1
Logansport Juvenile	G	56	57	59	52	52
Logansport State Hospital	G	697	708	699	706	696

Full Time State Employees Paid Through The Auditor of State's Office

Agency Name	Branch	Dec, 2003	Dec, 2002	Dec, 2001	Dec, 2000	Dec, 1999
Madison Correctional	G	61	64	66	65	66
Madison State Hopsital	G	378	382	484	503	500
Mental Health	G	55	56	54	56	58
Miami Correctional	G	623	540	431	401	204
Motor Vehicle Commission	G	1,607	1,574	1,524	1,548	1,516
Muscatatuck State Hospital	G	529	705	827	940	1,002
Natural Resources	G	1,485	1,460	1,450	1,467	1,475
New Castle Corr Facility	G	253	246	35	-	-
New Castle State Dev. Ctr.	G	-	-	-	-	5
North Central Juvenile Fac	G	155	157	162	153	154
Northern IN State Dev. Ctr.	G	-	-	-	-	1
Pendleton Corr Fac	G	590	588	581	610	606
Pendleton Juvenile Fac	G	283	305	296	296	-
Plainfield Juvenile Corr Fac	G	240	249	253	264	245
Professional Licensing	G	32	44	47	49	48
Professional Standards	G	28	32	33	31	23
Proprietary Education Comm	G	9	9	9	12	12
Prosecuting Attorneys	G	7	7	7	7	7
Protection Advocacy	G	27	28	25	22	23
Psychiatric Children's Hosp	G	53	52	52	55	55
Public Access	G	2	2	2	2	1
Public Defender	G	65	62	64	65	66
Public Defender Council	G	10	11	10	10	11
Public Employees Retirement	G	93	66	60	45	43
Public Records Commission	G	31	28	32	37	35
Reception / Diagnostic	G	259	262	240	243	225
Richmond State Hospital	G	570	567	604	598	608
Rockville Training Center	G	314	297	287	289	283
School for the Blind	G	182	186	200	219	212
School for the Deaf	G	272	271	270	281	268
Secretary of State	O	55	49	51	48	50
Senate - Legislators	O	50	49	50	51	50
Senate - Staff	O	60	61	62	58	59
Silvercrest St Hospital	G	159	161	165	168	168
Soldiers & Sailors Children's	G	194	182	194	199	192
State Farm	G	585	602	588	593	589
State Library	G	61	61	64	68	70
State Police	G	1,903	1,952	1,972	2,000	2,020
State Prison	G	626	601	596	580	601
Student Assistance Commission	G	16	16	17	19	16
Supreme Court	J	112	95	87	87	84
Tax Commission	G	81	79	87	90	93
Tax Court	J	5	5	5	5	5
Teachers Retirement	G	-	-	42	33	32
Tobacco Agency	G	12	13	7	-	-
Treasurer of State	O	14	15	14	15	15
Utility Consumer Counsler	G	52	51	54	52	49
Utility Regulatory Comm	G	70	67	66	66	69
Veterans Affairs	G	13	13	13	13	13
Veterans Home	G	406	392	381	409	406
Voluntary Action Comm	G	7	7	7	-	2
Wabash Valley Corr	G	857	851	854	854	862
War Memorial Comm	G	23	26	27	27	26
Westville Corr Center	G	1,017	1,042	1,000	981	989
Westville Transition Un	G	-	-	83	77	75
Women's Prison	G	217	218	227	218	212
Workers Compensation	G	37	40	42	41	42
Workforce Development	G	1,017	1,036	1,058	1,078	1,101
Youth Center, Plainfield Corr	G	509	516	514	483	480
G - Governor's Authority		**35,753**	**35,907**	**36,134**	**36,284**	**35,602**
J - Judiciary		**899**	**869**	**862**	**836**	**816**
O - Other Elected Officials		**1,039**	**1,021**	**1,018**	**1,014**	**1,016**
D - Disability Leave		**1,217**	**1,315**	**1,263**	**1,235**	**1,159**
Total		**38,908**	**39,112**	**39,277**	**39,369**	**38,593**


SEAL OF THE STATE OF INDIANA
1816